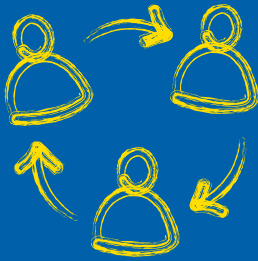


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WORKPLACE

We strive to continue to be an employer of choice with a strong values-based culture by partnering with our employees for mutual success.



You say your employees are your greatest asset. Do you actually treat them that way?

400,000

JOB APPLICATIONS RECEIVED online in Canada in 2012



77%

OF ELIGIBLE EMPLOYEES IN CANADA ARE RBC shareholders



95%

OF EMPLOYEES ARE PROUD TO BE part of RBC



11.2 years

AVERAGE TENURE OF RBC employees



\$9.3 billion TOTAL EMPLOYEE compensation and benefits



30%

OF EMPLOYEES IN flexible work arrangements



Workplace priorities	2012 Performance highlights	2013 Plans
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Maintain progressive workplace programs and practices

- One-third of RBC™ employees took advantage of flexible work arrangement options, including the purchase of additional vacation days, telecommuting, modified work weeks, job sharing, flextime and flexiplace.
- Employees in North America purchased more than 15,000 vacation days as part of our Purchased Vacation Option.

- Review and update accommodation, accessibility and religious leave guidelines to promote shared understanding across RBC.
- Expand our internal use of social media to enhance flow of information and help employees better connect across RBC.

Provide competitive compensation and Total Rewards, and enable growth through training and development opportunities

- Implemented new online talent management technology that provides more goal clarity, ongoing and targeted feedback and better management of employees' career development plans.
- Sponsored employee savings and share ownership programs through which approximately 77 per cent of eligible employees in Canada are RBC shareholders.
- Invested \$151.2 million¹ in formal training and career development initiatives; this figure includes direct and indirect expenditures.

- Build and promote our new online talent management system to further help employees and managers with their performance and professional development.
- Review and update compensation programs to ensure that they are competitive in attracting and retaining talent, align with shareholder interests, and align with our principles of pay for performance and sound risk management.

Respect diversity and promote inclusion

- 36 per cent of executives are women, as are 47 per cent of middle management and above.
- 15 per cent of executives are visible minorities, as are 30 per cent of middle management and above.
- Introduced an employee communications program called Diversity Works Here™ to showcase employees who are actively engaged in helping to harness the power of diversity and inclusion.

- Strive to increase the representation of women and minorities in leadership globally, and provide leadership development opportunities, including experience-based learning, mentoring and networks.
- Support and profile our diversity councils, committees and employee resource groups and ensure the “employee voice” is reflected in our initiatives and communications.
- Offer diversity education and tools to employees worldwide to enable them to recognize and respond to various dimensions of diversity; support RBC business and social objectives; and support a respectful and responsible workplace.

Foster a culture of high employee engagement

- 95 per cent of employees surveyed in 2012 said they are proud to be part of RBC.
- Sustained high levels of employee engagement and continued to exceed the “North American High Performance Companies” comparative external benchmark.
- Named one of the Best Workplaces in Canada (Great Place to Work Institute Canada).
- Recognized as a desirable prospective employer, with more than 400,000 online job applications received in Canada.
- RBC employees continued to recommend RBC as a great place to work — more than 30 per cent of new hires were referred by RBC employees.

- Expand our campaign to help educate employees on financial planning.
- Address top areas of employee feedback, including making improvements in performance management and providing feedback and support to achieve goals.

¹ The decrease from 2011 is due largely to a new formula for calculating trainee salaries. Decrease in actual direct expenditures was 1 per cent.

Principles and policies

Every employee at RBC is guided by our vision, “Always earning the right to be our clients’ first choice,” and by our values of service, teamwork, responsibility, diversity and integrity.

Guiding workplace principles

The RBC Workplace Principles define what we stand for as an employer, and guide our ongoing efforts to support the mutual success of employees and RBC. Our principles include:

Passion for client success: We value people who are passionate about putting our clients first and continuously improving our ability to help our clients succeed.

Diverse needs and contributions of individuals: We embrace diversity in people, skills and ideas. We cultivate an environment where people with diverse backgrounds and approaches come together to create winning solutions for clients.

High-performance work environment: Our passion for winning fuels our desire to be the best that we can be. We have the people and resources to enable a high-performance work environment, and make sure that results are appropriately recognized and rewarded.

Professional growth: We provide career opportunities through meaningful growth, as well as the tools, support and training to ensure success in roles. In return, we expect employees to grow and excel as professionals and share responsibility for their own career development.

Excellence in people management: We understand the essential role leaders play in engaging employees to deliver top performance. We’re committed to developing effective and inspiring leaders and people managers who enhance the employee experience and strengthen employee engagement.

Partner for mutual success: We believe that winning together as individuals, as teams and as an organization requires a shared sense of purpose, built on open communication, mutual respect and personal accountability for results.

Policies

Employee conduct is governed by our overarching Code of Conduct (“the Code”).

Successful completion of our Code of Conduct online learning program is a condition of employment for all our employees. At least once every two years, all our employees must reconfirm their understanding of, and commitment to comply with, the Code. Employees in certain key roles, such as most senior management and other roles involving financial reporting oversight, must do so annually.

In 2012, we began a formal review of the RBC Code of Conduct to address evolving risk factors and best practices in light of changes in the markets where we operate, growing complexity in the world of work and changing expectations. We expect to make revisions to the Code and to related learning and communications materials in the second half of 2013.

See page 69 for more information on the Code of Conduct.

Diversity/employment equity

Our Code of Conduct outlines our commitment to promoting equal opportunity in all our dealings with employees, clients, suppliers and others. All of our companies abide by the non-discrimination and/or human rights legislation in the various jurisdictions where we operate. Where laws do not prohibit discrimination, or where they allow for differential treatment, we remain committed to non-discrimination principles, and will not operate in a way that reinforces stereotypes or establishes barriers.

To ensure equal opportunity, our federally regulated Canadian businesses develop Employment Equity plans. Our U.S.-based businesses are regulated by affirmative action and Equal Employment Opportunity legislation. Our Employment Equity plans include programs, activities and goals to help us recruit and retain workforces that are representative of the communities in which we operate. Our operations in the United Kingdom follow an Equal Opportunity Policy when recruiting new employees.

Hours of work

Our businesses have policies relating to hours of work that enable employees to provide high-quality client service, while recognizing their other life responsibilities and interests. Our Work/Life programs provide options for modified work weeks, and outline processes for putting flexible work arrangements in place. See page 71 for further details on these programs. Over 30 per cent of

RBC employees have flexible work arrangements. Having sufficient flexibility to meet personal and family needs is among the highest-rated items in our annual employee survey.

Compensation philosophy

Our compensation philosophy is based on four key guiding principles:

- Compensation aligns with shareholders' interest.
- Compensation aligns with sound risk management principles.
- RBC pays for performance.
- Compensation enables RBC to attract and retain talent.

Respectful workplace

Our Code of Conduct sets out our commitment to maintaining workplaces characterized by professionalism and respect for every individual. We expect each employee to respect the diversity of other employees, clients and others with whom they interact. This includes respecting differences such as gender, race, colour, age, disability, sexual orientation, ethnic origin and religion. We have policies to prevent harassment, disrespectful and inappropriate behaviour, and retaliation, and take every reasonable measure to ensure a respectful workplace.

We expect all employees to take personal responsibility for their interactions, communications and behaviour to maintain a respectful workplace. We provide further guidance through an enterprise-wide Respectful Workplace Policy, which reinforces the principles established in the Code. The policy focuses on preventing violence, harassment and discrimination in the workplace, and lets employees know when, where and how to report any concerns. Any complaints of harassment, other disrespectful and inappropriate behaviour, and retaliation are promptly, thoroughly and impartially investigated.

Other issues

While we do not have formal policies on every issue, we do have positions on the following:

Freedom of association

We operate in 51 countries. The majority of our workforce is employed in North America, where unionization is not the prevalent system for managing employee relations in the financial services industry. In 2012, approximately 4 per cent

of RBC employees were covered by collective bargaining agreements. All of these employees work in the Caribbean or in Europe.

Where employees are represented by unions, we proactively engage in dialogue with those unions on matters that may affect the employees they represent. We continually strive to create an environment where individuals do not feel they need to be represented by a third party, while respecting each employee's right to choose.

Human rights

RBC is committed to ensuring that all employees are treated fairly and with respect, and are not discriminated against in the workplace. Our businesses are expected to abide by all non-discrimination or human rights legislation, such as the *Canadian Human Rights Act*, in the various jurisdictions where we operate. These laws generally prohibit discrimination on various grounds, with some examples being race, colour, religion/creed, age, gender, marital status, sexual orientation and disability. By adopting and supporting these requirements, RBC is able to create a more representative, inclusive and productive work environment for all employees.

Where laws do not prohibit discrimination, or where they allow for differential treatment, our businesses, in accordance with our Code of Conduct, are still committed to non-discrimination principles and ensure that we do not operate in a way that perpetuates stereotypes or establishes barriers.

As a federally regulated organization in Canada, we are committed to achieving workforce representation goals based on federal government compliance requirements. The table on page 73 shows our progress on this commitment. The *Employment Equity Act* is designed to correct historical disadvantages in the workplace and labour market experienced by women, visible minorities, Aboriginals and people with disabilities. By adopting, supporting and implementing positive policies under the *Act*, RBC creates a more representative, inclusive and productive work environment for all employees. Our initiatives for designated groups include recruitment and outreach activities, retention strategies through the forming of support groups, reasonable accommodation in the workplace and increased employee awareness of legislative requirements.

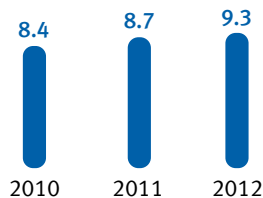
Rewards

Employees value both monetary and non-monetary rewards. We recognize that no two employees have identical needs, so our Total Rewards program provides both flexibility and choice while promoting shared accountability for success.

Our Total Rewards package includes:

- Base salary
- Performance-based incentive pay
- Savings and share ownership plans
- Benefits programs
- Retirement programs
- Learning and career opportunities
- Workplace flexibility
- Wellness initiatives
- Volunteer grants programs
- Educational scholarship programs
- Discount programs
- Employee assistance programs

Employee compensation and benefits worldwide¹
(\$ billions)



¹ Results are on a continuing operations basis, which excludes discontinued operations. Please refer to “Key corporate events in 2012” on page 4 for additional information about discontinued operations.

Compensation and incentives

Every year, we participate in over 100 external surveys to ensure that our compensation remains competitive. The majority of our employees receive compensation that includes a salary and a bonus. The bonus is based on the performance of the individual employee, of their business unit and of RBC overall. For any given position, the proportion of total compensation that is based on performance depends on the person’s level and on the work they perform. For instance, higher level positions have a larger proportion of performance-based

compensation, in other words, more pay at risk. Variable compensation can represent 80 per cent or more of senior executives’ total annual compensation. Depending on the type of work they do, some employees may participate in sales incentive and commission-based compensation programs.

Retirement and savings programs

RBC is committed to supporting employees in their planning and saving for the future. Our retirement and savings programs are an important part of that commitment.

Canada

Our retirement and savings programs offer best-in-class features such as investment options and tax-planning opportunities to help employees build savings for different phases of life.

Employees in Canada also have the opportunity to join our savings program. This program provides the convenience of payroll deductions and the opportunity to build ownership in the company through the purchase of RBC common shares. Employee contributions (up to 6 per cent of their salary) are matched at 50 per cent by RBC. Approximately 77 per cent of eligible employees are RBC shareholders through this program.

United States

In the U.S., RBC offers a flexible 401(k) program that provides eligible employees with an opportunity to convert current income into longer-term savings. For the 401(k) program, RBC provides matching contributions after one year of employment, on the first 6 per cent of IRS-limited salary, to an annual maximum (US\$15,000 for 2012).

Other regions

Outside of Canada and the U.S., RBC sponsors a number of pension plans (both defined benefit and defined contribution) in which our employees can participate.

For more information regarding our employee pension plan, including financial information, see Note 18 in our 2012 Consolidated Financial Statements.

Benefits

We offer a core package of benefits, plus a flexible, optional program that gives employees access to competitive and affordable, enhanced benefits. Part-time employees are also eligible for benefits coverage.

Workplace programs

Our internal policies and programs provide flexibility and support, including:

- Access to personal work/life counselling services.
- Maternity, parental and family responsibility leave.
- The option of returning from leave gradually or in an alternative work arrangement.
- Emergency backup eldercare and childcare in several major centres.
- Phased retirement available to eligible employees who wish to work three or four days per week for a defined period prior to retirement.
- Flexiplace program available to eligible employees who wish to work part or all of the work week off-site, usually from home.
- Flexitime available to eligible employees who wish to work a standard 37.5 hours per week, with assigned core hours and flexible start and finish times, within limits as established by the employee’s manager.

In 2012, approximately one-third of employees were involved in at least one type of flexible work arrangement at any given time.

Health, safety and wellness

Our Code of Conduct outlines our commitment to providing safe workplaces for all our employees. We also have specific workplace safety policies in many of our locations. Our business is primarily conducted in an office environment, and consequently presents very few traditional occupational health and safety risks. We provide online health and safety training to all of our federally regulated employees in Canada. This program helps employees increase their knowledge and clearly articulates the role of each employee in maintaining a safe workspace. Our workplace accident statistics are reported in the table below. Given our office work environment, these incidents are mostly minor in nature.

Workplace accident statistics (Canada)			
	2012	2011	2010
Minor injuries	Unavailable at time of press ¹	149	113
Disabling injuries	Unavailable at time of press ¹	32	46

¹ To be reported in 2013 Corporate Responsibility Report.

Mental health issues, including work-related stress, can have an impact on knowledge-based workplaces and the economy. Here are some of the resources we have in place to help address mental health issues:

- A comprehensive employee assistance program for support across a range of work and life situations. Employees and their dependents have confidential access to information, counselling, consultations and online resources to help them deal with a variety of mental health and work-related issues, including depression, stress and work-life balance. Employee awareness of this comprehensive program is strong, with approximately 11 per cent of employees globally using some aspect of the program each year.
- Annual campaigns to build awareness of mental illness and promote tips and strategies that improve mental health and resilience to life’s challenges.
- Mental health-related articles and tips on our intranet site.
- Annual health risk assessment to help employees assess their current health status, identify modifiable risk factors and evaluate readiness to make changes.
- Employee on-site events to raise awareness of mental health. Sessions include expert speakers and information booths to help build awareness of the support available.
- Employee resource group for employees with visible and invisible disabilities (including mental illness). This group supports employees by enhancing their knowledge and understanding of working with a disability, and by providing peer-to-peer mentoring, coaching and networking opportunities.
- Information on children’s mental health issues through the RBC Children’s Mental Health Project.
- Work/Life programs, policies and resources that help employees manage work/life responsibilities while meeting business objectives. These include flexible work arrangements, child/elder care resources and educational support.

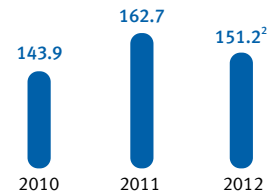
Among other initiatives, in 2012, we:

- Continued to encourage employees to lead healthy lifestyles through an annual health risk assessment, wellness campaigns/challenges throughout the year (with over 20,000 employees globally participating in 2012) and communication initiatives and on-site events that addressed nutrition, physical activity and mental well-being.
- Offered employees in Canada an opportunity to earn up to \$125 in credits annually by participating in campaigns/challenges. The credits are deposited in the employee’s personal Wellness Account, which can be used to make claims for personal wellness-related expenses.
- Offered employees in the U.S. the opportunity to earn wellness credits that could be applied to their medical plan premiums.
- Introduced wellness campaigns to our employees internationally (Caribbean, U.K. and Channel Islands).
- Provided information and updates relating to influenza, including basic preventive measures, and advice on general health topics.
- Provided employees with information on appropriate medical and support networks, including a 24-hour nurse line, ergonomic assessments, counselling with registered dietitians, and access to research and referral services for medical specialists and providers.

Career development and learning

Formal training and development programs are an important complement to learning on the job. We provide professional training and development to help employees build successful careers. In 2012, we invested \$151.2 million (including direct and indirect expenditures) in such programs, or \$2,032/FTE (full-time employee).

Investments in training and career development initiatives¹
(\$ millions)



¹ Includes direct and indirect expenditures.

² The decrease from 2011 is due largely to a new formula for calculating training expenditures. Decrease in actual direct expenditures was 1 per cent.

2012 Training and development



Examples of our training opportunities include:

- Our global online learning system that provides employees with access to training opportunities and resources from both work and home. In 2012, we made more than 2,500 learning activities available.
- Comprehensive formal training programs to help new employees succeed. In 2012, over 3,500 employees completed the training programs for client service representative, account manager and contact centre sales and service representative positions.

Recruitment

Building for the future also includes recruiting new talent, and some of our key activities for 2012 included:

- Internship programs for new college and university graduates. We have a strong presence at major universities and colleges where we offer hundreds of internships and summer employment opportunities that typically lead to longer-term employment with RBC. Our programs reach a diverse group of students in both the undergraduate and graduate programs. We are very proud of our partnership with the Aboriginal community through our Aboriginal Internship Program, which provides students with an opportunity to gain retail banking experience.

- The introduction of a new recruitment system that has simpler processes and better job search functionality to improve the candidate experience. An onboarding portal for new hires includes engaging videos and an early preview of content on our intranet site to welcome them to the organization and set them up for success.
- A strong effort in Canada and the U.S. to recruit ex-military personnel in recognition of the value that military training and experience bring to the workplace. Our goal is to help transition military personnel, who possess valuable skills such as leadership and teamwork, to a business setting.

Diversity and inclusion



We have made some important strides in the past few years in the area of diversity. Women make up 47 per cent, and visible minorities 30 per cent, of middle management positions or above.

Diversity is a key ingredient for winning new business, attracting great talent, strengthening our communities and creating a workplace where everyone belongs and thrives.

We believe in creating equal opportunities for employees, regardless of race, age, gender, disability, religion, sexual orientation or ethnic origin. We have workforce diversity goals and a blueprint for promoting diversity internally and externally. RBC is considered a diversity leader. We promote diversity and inclusion, and proactively use our workplace diversity to generate innovative business strategies. We help raise diversity awareness through research, training, mentorship, employee resource groups and other programs.

Diversity progress

Diversity in our workplace (Canada) ¹			
	2012	2011	2010
Women	65%	66%	67%
Women in middle management and above	47%	46%	46%
Women in executive roles	36%	36%	37%
Visible minorities ²	30%	29%	28%
Visible minorities ² in middle management and above	30%	29%	27%
Visible minorities ² in executive roles	15%	15%	14%
People with disabilities	4.3%	4.2%	3.5%
Aboriginal peoples	1.5%	1.6%	1.6%

¹ Figures represent Employment Equity data as a percentage of the number of employees (full- and part-time) at RBC as of October 31, 2012 in our businesses in Canada governed by the *Employment Equity Act*. Given variations in legal definitions and restrictions in legislation around the world, comprehensive data on these four designated groups (women, visible minorities, people with disabilities, Aboriginal peoples) is available only in Canada.

² In Canada, visible minorities are defined as persons (other than Aboriginal peoples) who are non-Caucasian in race or non-white in colour.

Leadership

To create and sustain a diverse, inclusive and collaborative work environment, we engage people at all levels of the organization. Our President and CEO chairs the RBC Diversity Leadership Council, created to set strategies and goals, and to establish senior-level diversity champions in North America, the Caribbean and the United Kingdom. In addition, many business groups have diversity leadership councils. For example, we have established diversity councils in the Caribbean, in our Insurance business and in the Group Risk Management function.

Our leaders are also active in our communities, participating in public discussions, panels and workshops that focus on promoting diversity in the workplace.

Our ambassadors, known as Active Leaders, have access to a dedicated intranet site with resources that enable them to share and champion the RBC diversity story, both internally and externally. There are more than 700 Active Leaders representing RBC at work in the community, on relevant organizational boards and at client events.

The RBC Diversity Blueprint

The RBC Diversity Blueprint™ sets out our corporate diversity strategy, priorities and objectives. The Blueprint outlines how we will continue to enhance our leading diversity position in Canada, strengthen our existing efforts in the U.S. and internationally, and, where necessary, develop new initiatives that support our commitment to this objective. We continually track the progress we have made towards our enterprise priorities and objectives.

Programs to support diversity

We participate in a number of internal and external programs that support diversity. Since 1996, we have participated in three internship programs with the Career Edge organization, which provides experience and paid employment to recent graduates and newcomers to Canada.

Career Edge internships			
	2012	2011	2010
Career Edge (for recent graduates)	17	16	3
Ability Edge (for graduates with disabilities)	17	13	34
Career Bridge (for internationally qualified professionals)	31	23	40
Total	65	52	77

Approximately 70 per cent of interns in the Ability Edge and Career Bridge paid internship programs joined RBC as full-time employees following their internships.

LGBT community

RBC provides benefits to employees' partners without regard to gender. RBC Wealth Management U.S. received a 100 per cent rating from the Human Rights Campaign and is recognized as one of the "Best Places to Work for LGBT (lesbian, gay, bisexual and transgender) Equality." The rating by the U.S.-based campaign annually recognizes companies with policies and procedures that support the lesbian, gay, bisexual and transgender community. RBC received this honour based on a joint submission from the RBC Wealth Management U.S. and RBC Capital Markets U.S. businesses.

Diversity awards

- Canada's Top 100 Employers (Mediacorp Canada Inc.)
- Canada's Best Employers for New Canadians (Mediacorp Canada Inc.)
- Best Place to Work for LGBT (Lesbian, Gay, Bisexual, Transgender) Equality (The Human Rights Campaign)
- Catalyst Canada Honours (for championing women in Canadian business) (Catalyst Canada)
- Ability Edge Program Award (Career Edge Organization)
- Career Bridge Program Award – Private sector (Career Edge Organization)
- Most Valued Internship Experience (MoVIE) Award (Career Edge Organization)

Diversity training and mentoring

We are committed to ongoing learning, coaching and mentoring to ensure we develop and support a rich and diverse workforce. Our programs include education and facilitation through various channels. In 2012, RBC initiatives helped people managers better understand the cultural dimensions of hierarchy, risk tolerance and individualism, as well as their roles and responsibilities

in creating an inclusive environment for people with disabilities. Other programs increased general employee knowledge of diversity and inclusion, connected women and visible minorities with senior leaders, heightened awareness of Aboriginal issues and improved language skills among new Canadian employees.

Program	Description	2012 Participants
Creating an Inclusive Workplace for Employees with Disabilities	A webcast for people managers to help them understand their roles and responsibilities in creating an inclusive environment for people with disabilities.	Approximately 350.
Building Cultural Dexterity	A webcast for people managers discussing impact versus intention when providing effective feedback to culturally different people. The session helped managers gain an understanding of the cultural dimensions of hierarchy, risk tolerance and individualism.	Approximately 325.
Diversity Dialogues™	A program that connects women, as well as visible minority, employees to senior leaders who have different professional experiences and backgrounds so they can learn about leadership and diversity from each other.	In 2012, more than 300 employees participated in the program. Since 2006, over 1,300 employees have participated in a Diversity Dialogues Reciprocal Mentoring partnership.
Aboriginal Awareness E-Learning Program	A program that provides employees with an opportunity to learn about the values, customs, beliefs and aspirations of First Nations, Métis and Inuit peoples through modules such as culture, history and cross-cultural communication.	Approximately 620.
RBC Talk English Café	An eight-week, e-classroom program for employees who would like to develop and build their spoken English skills. Participants develop confidence in English for use in business and personal settings. Each week, participants learn about new communication strategies and RBC core values and community involvement.	Approximately 50.
Diversity Moments	Three- to five-minute, web-based diversity awareness vignettes that are posted on the RBC intranet and available to all employees. They are designed to increase knowledge of diversity and inclusion.	Since their release in 2010, over 11,000 employees have viewed “Diversity Moments.”

Programs to support Aboriginal employment

We are committed to increasing the representation of Aboriginal peoples within our workforce through proactive recruitment and programs. We support programs that ease the transition of Aboriginal employees into our workplace.

	Description	2012 Highlights
Programs to increase Aboriginal representation		
RBC Aboriginal Student Awards Program	This program helps Aboriginal students complete post-secondary education. It provides selected students with scholarships to use towards tuition, textbooks, supplies and living expenses.	RBC awarded scholarships to 10 students across Canada. We have awarded 108 scholarships, totalling \$1.2 million, since the launch of the program in 1992.
Pursue Your Potential™ recruitment program	This program helps Aboriginal peoples, and people with disabilities, explore career opportunities and understand the recruitment process.	Ninety-three people were part of this program. Since its inception in 2006, more than 610 people have taken part.
RBC Aboriginal Stay in School Program and Aboriginal Summer Internship Program	These programs bring Aboriginal students from high school, college and university into our workplace. Students receive client service representative and account manager training as well as direct work experience within the branch network.	During the summer school break, 55 students participated in both programs.
Programs to facilitate transitions into the workplace		
Royal Eagles employee resource group	This group, internal to RBC, is one of our longest-standing employee resource groups, with over 450 members Canada-wide.	<p>Members recognized National Aboriginal Day across the country with many events, such as traditional teachings, drumming, local artists showcasing their art work and charity barbecues.</p> <p>Royal Eagles have supported the Dawn Adams Gift Box program for over 10 years, providing personalized gifts to over 3,300 children in 14 First Nations communities in Northern Ontario. They also support a program where backpacks, filled with vital school supplies, are distributed to children in need. In 2012, over 2,000 backpacks were filled in partnership with 13 organizations.</p> <p>Members also participated in “Inclusion Works,” a career fair to recruit post-secondary Aboriginal students.</p>
Cultural awareness training	Aboriginal awareness training is required for all RBC recruiters. In addition, the training is available to all RBC employees through our online learning system.	In addition to the Aboriginal Awareness E-Learning Program, which is available to all Canadian employees, the diversity recruitment team held a webcast to increase recruiter awareness of RBC Aboriginal recruitment opportunities, inclusion programs and initiatives. Over 60 recruiters participated.

Employee resource groups

Employee resource groups are networks of employees who help their members develop both personally and professionally through peer mentoring, coaching and networking. Groups that operate under an established charter are formally recognized by RBC and receive annual budget and communications support. The following employee resource groups were active in 2012:

Canada

- Women in Capital Markets
- New Canadians and visible minorities
- Employees with disabilities
- Aboriginal employees
- Lesbian, gay, bisexual and transgender employees

United States

- Women in Capital Markets
- Women financial advisors
- Minority employees
- Lesbian, gay, bisexual and transgender employees

United Kingdom and Channel Islands

- Women in Capital Markets
- Working families
- Lesbian, gay, bisexual and transgender employees

Asia Pacific

- Women in Capital Markets (Australia)

Promoting employee diversity

Our employee communications program, Diversity Works Here, showcases employees who are actively engaged in helping to harness the power of diversity and inclusion at RBC.



Diversity works here.

Engagement

People management

More than 8,000 of our employees are responsible for managing others across the organization. Managers play a critical role in creating an engaging work environment, and we invest in a number of resources to support them, including:

- A series of learning modules promoting learning based on their experiences. In 2012, more than 3,000 managers completed at least one of these modules. To date, approximately 60 per cent of all managers have completed at least one module.
- Management essentials training for first-time people managers — approximately 30 per cent of our new people managers participated in 2012.

- An online resource for managers that provides coaching, information, tools and forms.
- 360-degree reviews that provide managers at all levels with feedback from their peers, their direct reports and their own managers.
- Tailored employee opinion survey data results from within a manager's own unit.
- A monthly news flash for managers, with advice and information on programs and initiatives, as well as news on upcoming changes and new online resources.
- A series of webcasts about performance management.

Performance management

Performance management is a key aspect of employee engagement at RBC. It helps employees see how their jobs fit in the bigger picture so that they can align their activities with the company's strategy.

While performance management processes vary across RBC, every employee of RBC goes through a predefined performance appraisal process. Managers review their individual team ratings with their direct manager. In many cases, there is a formal calibration session to ensure individuals are rated fairly compared to others in the team, department and unit overall.

We introduced a new, enterprise-wide, online system that provides tools for employees and managers to use for talent management. This system is being rolled out in phases and will be used across the company in 2013. The system allows employees to input, track and update information about their goals and targets, professional development plans and career interests in a single secure location. The system is designed to make key talent management activities easier, faster and more consistent across the organization. It eliminates manual, paper-based processes and gives managers and employees more time to focus on the conversations that drive high performance and support ongoing development.

Employee opinion surveys

A large part of our success is dependent on listening and responding to our employees. We have conducted regular employee opinion surveys since 1981. Our surveys identify how well RBC is delivering on what matters most to employees and how well employees understand what matters most to RBC. We compare our survey results to top-performing North American companies, including other financial institutions, as well as to our own past results. We share our results with managers and employees, celebrate our successes, and take action in areas where improvement is needed.

2012 Survey results

In 2012, 85 per cent of our employees completed our Employee Opinion Survey and provided more than 50,000 comments. Results show that:

- Employees continue to demonstrate high levels of engagement and support for our vision and values, consistent with past employee surveys. We compared favourably to other high-performing North American companies in the Towers Watson comparative benchmark.
- 95 per cent of employees stated that they are proud to be part of RBC.
- 94 per cent of employees fully support the values for which RBC stands.
- 94 per cent of employees say RBC values are clear.
- 92 per cent of employees would recommend RBC products and services to friends and potential clients.

- 88 per cent of employees responded favourably when asked if they are being provided the flexibility they need to meet their personal and family responsibilities.

Top employer awards

In 2012, we were recognized as a top employer by a number of organizations, as well as by our own employees. In fact, more than 30 per cent of the people we hired in 2012 were referred by our own employees. For a list of awards, please see “Awards and recognition” on page 21.

Impact of corporate citizenship programs

Employees are a key stakeholder group, and it is important that we understand how they perceive corporate citizenship at RBC. Each year, our employees are invited to respond to a poll on corporate citizenship. In 2012, more than 12,000 employees responded to the poll. A full 83 per cent of respondents said it was “very important” that the company they work for be a good corporate citizen. Additionally, 68 per cent of respondents said they would recommend RBC as an employer, and 72 per cent said they would recommend RBC as a service provider, based on its record of corporate citizenship. Over 67 per cent of survey respondents who work directly with clients indicated that our reputation as a good corporate citizen has helped attract new customers. These responses help us shape our corporate citizenship strategy and set relevant goals for the following year.

Communications

We recognize the importance of keeping employees informed and of encouraging two-way dialogue. In 2012, our enterprise-wide communications initiatives included:

- Online webcasts and interviews with leaders to help employees understand career development at RBC.
- Information bulletins to help employees make informed decisions about their Total Rewards.
- A satellite TV channel, available at more than 1,000 locations across Canada. Employees were able to tune in to live interactive (and taped) sessions with leaders and experts.
- Online messages and video clips from leaders to help employees deepen their understanding of key issues and be better prepared to react quickly, effectively and collaboratively.

- RBCnet, our employee intranet, the hub of our employee communications. It includes regular updates, inspiring stories about RBC and our workplace, information on new initiatives and programs, RBC news from around the world, and related video clips. Employees have the opportunity to comment on what they’ve read, and see what others have commented on.
- Global town hall meetings, conducted live in one location and webcast globally, where senior leaders share their thoughts on our global business. These events give RBC employees around the world a unique opportunity to ask questions of our CEO and Group Executive. In 2012, more than 4,700 employees participated in the live event — 1,200 in person and 3,500 via the web.
- Dedicated business communications channels to deliver sales and marketing tips, training information and other pertinent information to employees.

Employee concerns

We encourage open communication and the resolution of employee concerns locally whenever possible.

A “Reporting Concerns” web page is available to employees, with contact information for any concerns about discrimination, harassment, violence and workplace accidents.

Employees with unresolved concerns may also contact our Employee Ombudsman, a confidential and impartial resource within the Office of the Ombudsman. The Employee Ombudsman will listen with an open mind, help employees explore options to find solutions, and assist them in removing barriers that may be preventing due process or appropriate consideration of concerns.

In 2012, the Employee Ombudsman opened 819 cases dealing with the concerns of 855 employees. An additional 155 visitors were referred to other internal or external areas of expertise. The Employee Ombudsman also interacted with over 200 employees through outreach programs, including presentations, information sessions and employee roundtables.