

TOWARDS SUSTAINABILITY



# Where our values lead us

Royal Bank of Canada  
2006 Corporate Responsibility Report and  
Public Accountability Statement



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## Royal Bank of Canada Public Accountability Statement (PAS)

This statement has been published by Royal Bank of Canada and its prescribed affiliates for the fiscal year ended October 31, 2006.

The information related to this statement can be found in the following sections:

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## About RBC's 2006 Corporate Responsibility Report and Public Accountability Statement

### Scope

This report provides an overview of RBC's social, economic and environmental commitments and impact on the communities and countries in which we do business. It complements the information on our financial condition and performance provided in our Annual Report to Shareholders. This report has been produced for a wide range of stakeholders. We provide more detail related to stakeholder-specific issues in our Annual Report and on our website.

All federally regulated financial institutions in Canada with equity greater than \$1 billion are required to produce annual public accountability statements outlining their contributions to the Canadian economy and society. This report includes the public accountability statement for Royal Bank of Canada and its prescribed affiliates and the public accountability statements for Royal Bank Mortgage Corporation and RBC Life Insurance Company.

### Stakeholders

This report is published for all stakeholders of Royal Bank of Canada and its subsidiaries, which together operate under the master brand name of RBC. Our stakeholders include employees, clients, current and prospective investors, suppliers, governments, regulators and community partners.

### Reporting period

All data and examples contained in this report reflect activities undertaken during or as at the end of our 2006 fiscal year (November 1, 2005–October 31, 2006), unless otherwise noted.

### Terminology

Reference to "employees" includes people who work for all RBC's businesses and functions around the world, as outlined on the inside back cover of this report.

### Currency and measurement

All \$ references in this document are to Canadian dollars unless otherwise stated. Measures used in this report are metric, except where stated.

### Global Reporting Initiative

We use the 2002 Global Reporting Initiative (GRI) guidelines, the GRI Financial Services sector supplement, the G3 (GRI third generation) Guidelines as well as stakeholder input and external best practices to help structure our sustainability reporting, both in this report and online. A GRI content index can be found at [rbc.com/responsibility](http://rbc.com/responsibility) to help readers compare RBC to other reporting organizations.

### Forward-looking statements

This report contains forward-looking statements within the meaning of certain securities laws including the "safe harbor" provisions of the *United States Private Securities Litigation Reform Act of 1995* and any applicable Canadian securities legislation. These forward-looking statements include, among others, statements with respect to our branch expansion objectives and our plans for environmental sustainability, as well as statements with respect to our strategies, plans, beliefs and expectations. We caution readers not to place undue reliance on these statements, as a number of factors, including general business and economic conditions, our ability to successfully complete and integrate strategic acquisitions, and our ability to successfully execute on our strategies and plans, could cause our actual results to differ materially from the plans, objectives or expectations expressed in such forward-looking statements.

### Previous reports and additional information

Past Corporate Responsibility Reports and Public Accountability Statements, as well as other information relevant to the issues presented in this report, are available on [rbc.com](http://rbc.com).

# Towards sustainability



In corporate responsibility circles, much ink has been spilled debating economist Milton Friedman's famous dictum "the business of business is business." In my view, a company's first responsibility *is* to be a successful business.

But I also believe that companies will better ensure their long-term viability when they also pay attention to the present and future interests of stakeholders such as clients, employees, investors and communities. In fact, this is the heart of "sustainability."

Over the years, more and more companies around the world have started to produce reports like this one—with some even hitting the 200-page mark. These reports reflect the growing belief that a company's value cannot be judged solely on one quarter's financial results, but should go beyond the bottom line and include a longer-term view of how those results were achieved. This includes the company's economic impact, its business and workplace practices, and its impact on society and the environment.

RBC's 2006 *Corporate Responsibility Report* is such an account.

You might notice that this publication is shorter than in past years. But a shorter report does not mean that we have been less responsible. In fact, it is just the opposite.

Corporate responsibility is less about words and more about deeds, and we continue to move towards sustainability while producing strong financial results.

But over the years, we have learned that the main readers of this report – our employees and clients – prefer a succinct overview about the main issues facing our company. We also know that other readers, such as non-governmental

organizations (NGOs), analysts and investors, would like us to drill down and provide much more detail on issues specific to their concerns.

As a result, rather than continuing to produce a single blockbuster print report, RBC will be moving towards more tailored sustainability reporting, geared to stakeholder needs. We will strive to provide an appropriate level of detail on issues that are relevant to each stakeholder in the format that is most appropriate to them.

We are not only in the electronic age, but in an era where we must use the planet's natural resources wisely. As such, the cornerstone of our reporting will be online, and we will use this annual print report to provide a summary of our activities. We include corporate responsibility information in our Annual Report, as well as in other communications vehicles. Finally, we will continue to enhance our communications with NGOs, and provide detailed, direct reporting to analysts and researchers from the ethical investment community.

I invite you to read this report and visit [rbc.com](http://rbc.com) for additional information. Please tell us how we're living up to our values by using the contact information on the outside back cover.

Gordon M. Nixon

A handwritten signature in blue ink, appearing to read "Gordon M. Nixon". The signature is fluid and cursive.

President and Chief Executive Officer

# Corporate responsibility vision and principles

## Vision

RBC's vision for corporate responsibility is to sustain our company's long-term viability while contributing to the present and future well-being of our stakeholders. We strive to operate our business with integrity, have a positive economic impact, promote environmental sustainability, create a workplace of choice, and contribute to communities.

<b>Principles</b>	<b>Business practices</b> <ul style="list-style-type: none"> <li>• Comply with laws and regulations</li> <li>• Manage under strong governance</li> <li>• Operate with ethical business practices</li> <li>• Provide products and access to banking services responsibly</li> <li>• Protect and educate consumers</li> </ul>	<b>Economic impact</b> <ul style="list-style-type: none"> <li>• Provide strong returns to shareholders</li> <li>• Pay fair share of taxes</li> <li>• Support small business and community economic development</li> <li>• Foster innovation and entrepreneurship</li> <li>• Purchase goods and services responsibly</li> </ul>
<b>Workplace and employment</b> <ul style="list-style-type: none"> <li>• Respect diversity</li> <li>• Foster a culture of employee engagement</li> <li>• Provide competitive compensation and total rewards</li> <li>• Provide opportunities for training and development</li> </ul>	<b>Environment</b> <ul style="list-style-type: none"> <li>• Lend responsibly</li> <li>• Leverage "green" business opportunities</li> <li>• Reduce operational footprint</li> </ul>	<b>Community</b> <ul style="list-style-type: none"> <li>• Provide donations with a lasting social impact</li> <li>• Sponsor key community initiatives</li> <li>• Enable employees to contribute</li> </ul>

## Corporate responsibility firsts

RBC's long history of corporate responsibility contains many significant firsts. In fact, RBC takes corporate responsibility so seriously that, in 1980, we embedded it in our first formal employee Code of Conduct. Here are some other highlights.

1891	1902	1943	1947	1979	1980	1991	1992	2000	2003	2004	2005	2006
Our first donation on record: \$250 to the Springhill Mine accident relief fund.	We hire our first woman: Jennie Moore from Vancouver.	We publish the first issue of <i>Royal Bank Monthly Letter</i> , devoted to topics of citizenship.	We are the first sponsor of the Canadian Olympic Association.	We establish an Equal Employment Opportunity program.	We launch our employee Code of Conduct.	We are the first chartered bank in Canada to publish a formal privacy code.	We are the first North American signatory to the United Nations Statement by Financial Institutions on the Environment and Sustainable Development.	We are the first Canadian bank to be named to the Dow Jones Sustainability Index.	We are the first Canadian bank to adopt the Equator Principles, to assess the social and environmental impact of project finance deals.	We are a founding member of the Canadian Aboriginal and Minority Supplier Council.	We are named as one of the "Global 100 Most Sustainable Corporations in the World."	We are named one of the top "Employers for Workplace Diversity" in Canada.

# Recognition and affiliations

## RECOGNITION AND AWARDS

A company's reputation is built in part by what people say about it. We were privileged to have received these honours, among others, in 2006.

### Brand and culture

- **Canada's Most Valuable Brand** (Interbrand).
- One of the **Top 100 Brands** (Banking) according to Brand Finance (*The Banker* magazine).
- Ranked number two in Canada's **Most Admired Corporate Cultures 2006** study (Waterstone Human Capital/*Canadian Business*).
- **Canada's Most Respected Corporation** (2005)\*.

### Corporate responsibility/sustainability

- Named to the **2006 and 2007 Dow Jones Sustainability World Index** and **Dow Jones Sustainability North America Index** recognizing financial, social and environmental leaders.
- Included in the **Jantzi Social Index**, recognizing 60 Canadian companies that pass a set of social and environmental screens.
- Included in the **FTSE4Good Index**, recognizing companies that meet globally recognized standards for environmental sustainability, stakeholder relations, and human rights.
- Included in the **Ethibel Pioneer Sustainability Index**, used by European banks, fund managers and institutional investors to recognize companies that have played a pioneering role in terms of sustainability.
- Named to the **Global 100 Most Sustainable Corporations 2006** (Innovest/Corporate Knights), recognizing companies that have proven their ability to manage strategic opportunities in new environmental and social markets.
- Named one of **Canada's 50 Best Corporate Citizens** (Corporate Knights).

### Environmental sustainability

- **Carbon Disclosure Project:** Based on our 2006 submission to the Carbon Disclosure Project (CDP4), RBC was ranked within the top 13 banks worldwide for understanding and addressing climate change issues.

### Governance

- **Board Games:** RBC ranked fourth in corporate governance in Canada (*Report on Business*).

### Employment

- **2006 Corporate Recognition Award** (Canadian Association of Career Educators and Employers) for exemplary support and contribution to the Association.

### Diversity

- One of Canada's top **Employers for Workplace Diversity 2006** (*Canadian Immigrant Magazine*).
- **Theo Award** (People with Disabilities BC) for being a champion of employment for people with disabilities.
- **Community Award** (Champions Career Centre) for commitment to advancing opportunities for people with disabilities.
- 3 RBC executives were named to the **2006 Canada's Most Powerful Women: Top 100** list (Women's Executive Network).

### Privacy

- Ranked in top five among financial institutions for the **2006 Top Privacy Policies in Canada Award** (Nymity Inc.). The award was given to companies that best provide clear, complete and readily available notice of their privacy policies and practices.

## AFFILIATIONS AND MEMBERSHIPS

RBC is involved with a number of leading organizations around the world to steward corporate responsibility.

- In 1988, we were a founding member of Imagine, an organization to encourage philanthropy and volunteering, and we remain a member to this day.
- Since 1997, RBC has been a member of the Center for Corporate Citizenship at Boston College, a leading resource in North America providing research and executive education on citizenship topics.
- We are a sustaining member of Canadian Business for Social Responsibility, a membership organization of Canadian companies who have made a commitment to operate in a socially, environmentally and financially responsible manner.
- We are a member of the Global Reporting Initiative's (GRI) G3 consortium to ensure GRI has a self-sustaining business model. In 2006, we became a GRI Organizational Stakeholder. GRI is an independent institution whose mission is to develop and disseminate globally applicable sustainability reporting guidelines. RBC now reports online on performance indicators suggested by GRI.
- RBC Asset Management® is a member of the Canadian Coalition for Good Governance, promoting best corporate governance practices in companies its members consider for investment.
- RBC is a member of the Conference Board of Canada, and its Corporate Community Investment Council, Effective Work Environment Research Council, Corporate Ethics Management Council and the Business Council for Sustainability.
- To support environmental sustainability further, we are members of the Canadian Bankers Association Environmental Issues Specialist Group, Environmental Bankers Association, Canadian Standards Association, Canadian Brownfields Network, the United Nations Environment Program Finance Initiative and its North American Task Force.
- In the United States, RBC is a member of the U.S. Conference Board Diversity Council, and the Families and Work Institute.

For more information, visit [rbc.com/responsibility/approach](http://rbc.com/responsibility/approach)

\* In early 2006, RBC was named Canada's Most Respected Corporation for 2005 (annual Ipsos Reid poll). RBC was overall "Most Respected" for the fourth consecutive year, and placed first in six of nine categories, including Governance, Corporate Responsibility and Human Resources Management. RBC's ranking for 2006 was not known at the time of printing.

# Business practices



It's been said that corporate responsibility isn't so much about how a company spends its money, but how a company makes its money. At RBC®, we believe that our first duty is to operate with integrity so that we can fulfill our responsibilities to all our stakeholders. No company is perfect, yet we aspire to the highest levels of integrity – every day, in every transaction, in every part of our business.

This section of our report highlights how RBC has integrated corporate responsibility right into our business, from structure and policy to programs, products and services.

## **PRIORITIES**

Our priorities include ensuring that we:

- comply with all applicable laws and regulations in every country in which we operate;
- conduct business with honesty and integrity;
- demonstrate sound corporate governance principles;
- provide clear disclosure of financial results, and disclose reliable performance data on key non-financial items;
- provide products and access to basic banking services responsibly;
- protect consumers through strong policies and practices.

## **2006 PERFORMANCE HIGHLIGHTS**

- Enhanced disclosure in our Management Proxy Circular to improve transparency in our communications.
- Launched an online banking security guarantee to protect clients against unauthorized transactions.
- Introduced Canada's only on-line account opening process that accepts non-resident applications, enabling new immigrants to start the process of setting up their bank accounts before arriving in Canada.

# Governance and ethics

## CORPORATE GOVERNANCE

Sound corporate governance is an essential element in maintaining our clients' trust and our investors' confidence and is fundamental to enhancing shareholder value.

### Highlights

- RBC was first among our peer companies to separate the positions of Chairman and Chief Executive Officer, in 2001, ensuring independent leadership of the Board of Directors.
- Our comprehensive Director Independence Policy has continued to evolve to reflect best practices. As of October 31, 2006, 14 of the 17 serving directors were independent.
- We provide continuous education to directors so they remain knowledgeable about the business and regulatory environment and the complex aspects of our business operations.
- We have enhanced disclosure in our Management Proxy Circular, in particular, in the areas of compensation of senior officers and directors, to improve transparency in our communications.

More information is available at [rbc.com/governance](http://rbc.com/governance) and in our Annual Report and our Management Proxy Circular.

## ETHICAL BUSINESS PRACTICES

RBC's enterprise-wide compliance policies and processes ensure we operate with integrity and help us assess and manage risks.

### Code of Conduct

All RBC employees worldwide are governed by our Code of Conduct, which was established more than 20 years ago, and is updated regularly. All employees worldwide (up to and including the CEO) must complete our Code of Conduct e-Learning Program and pass a test within three months of joining RBC and at least once every two years thereafter.

### Client due diligence (Know Your Client and Suitability)

RBC must perform due diligence on new and existing clients to comply with applicable anti-money laundering, anti-terrorism and economic sanctions legislation, to help us monitor trade suitability within our securities businesses, and to understand our clients' needs and offer suitable products and services. To address anti-money laundering and anti-terrorism rules, RBC has implemented appropriate scrutiny and monitoring measures in line with regulatory requirements.

### Anti-money laundering policy

RBC is committed to preventing the use of financial services for money laundering or terrorist financing purposes. Our Global Anti-Money Laundering Compliance Group develops and maintains policies, guidelines, training and risk assessment tools and models to help our employees deal with ever-evolving money laundering and terrorism financing risks.

### Anti-terrorism policy

RBC and our directors, officers, and employees will not knowingly enter into transactions with, or provide or assist in providing, directly or indirectly, financial services to, or for the benefit of, states, entities, organizations and individuals targeted by applicable anti-terrorism measures. Our automated systems scan client names against various terrorist and control lists daily.

### Privacy and information security

RBC is dedicated to safeguarding the privacy and confidentiality of personal, business, financial, and other information. This is one of our highest priorities. We have had a formal Privacy Code since 1991 overseen by our Chief Privacy Officer, and we use vigorous security safeguards and internal controls to ensure the privacy and security of information entrusted to us.

### Fraud prevention

RBC places a high priority on protecting clients against potential losses from financial fraud. We work closely with other financial institutions, industry associations and law enforcement authorities globally to combat financial crime. We have a client website on fraud and debit card safety, and a consumer publication about financial fraud. In 2006, we launched an online banking security guarantee, to protect clients against unauthorized transactions.

### Voluntary codes of conduct

RBC has committed to a number of voluntary commitments and codes developed by the Canadian banking industry that protect consumers. These are listed on [rbcroyalbank.com](http://rbcroyalbank.com).

### Crisis management

RBC's crisis management teams are activated when crises emerge that are both within and outside RBC's control. We have established enterprise-wide business continuity management processes and undergo periodic simulations to help prepare for possible crises. RBC's Business Emergency Information Line provides information to our employees in the event of situations affecting our ability to access RBC offices or serve our clients.

## POLICIES

In addition to the policies mentioned here, RBC also has formal policies to address:

- Economic sanctions;
- Lending to political parties;
- Financing military material;
- Conflicts of interest including outside activities and external directorships of employees;
- Insider trading, information barriers and personal (employee) trading;
- Environmental risk;
- Outsourcing risk;
- Structured transactions and complex credits;
- Auditor independence.

# Commitment to clients and access to financial services

RBC's vision is "always earning the right to be our clients' first choice." The entire company is focused on that vision, from soliciting and acting on client feedback, to strong consumer protection measures, to ensuring access to financial services.

## CLIENT FEEDBACK

They say that what gets measured gets improved. Every year, RBC businesses track client satisfaction and use feedback to make improvements in our products and services. In 2006, we surveyed 415,000 clients in Canada and another 100,000 in the United States and Caribbean.

We also have a formal process for handling client complaints up to and including an Ombudsman, and we use this feedback to improve our services.

## Fraud prevention

RBC has stringent security policies and practices, backed by around-the-clock resources, to prevent and detect potential fraud. In 2006, we introduced guarantees offering 100 per cent reimbursement for funds lost through unauthorized transactions in certain online accounts. We also provide consumer information and education on financial issues including fraud.

## Responsible development of products and services

RBC follows a defined, rigorous review process before launching any new product or significantly changing an existing one. We evaluate products for a range of risks and ensure they align with our Code of Conduct, with legislation, and with any voluntary consumer protection codes that we have signed. Approval levels within RBC correspond to the level of risk identified for a particular product or service.

## ACCESS TO FINANCIAL SERVICES

RBC is a leader in introducing convenient alternatives for people to access their money and finances anywhere, anytime. We continue to expand and improve our branch networks, including online and telephone banking, and full-service banking machines. We also provide banking access to a host of previously underserved groups through customized products, services, channels and community-based programs.

### BRANCH FACTS

RBC has the largest branch network in Canada with 1,117 branches. We opened 14 new bank branches in 2006 and expect to open as many as 40 more throughout 2007. We also opened seven stand-alone insurance outlets in 2006, with 25 more planned over the next three years. In the United States, RBC Centura® has 282 branches serving the southeast. We opened 10 new ones in 2006 and expect to add 65 to 70 more in 2007 through acquisitions (Flag Financial Corporation and AmSouth Bank branches) and new construction.

## Account opening

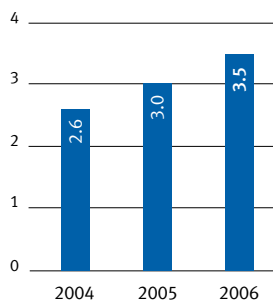
RBC is committed to ensuring the process of opening an account is as straightforward as possible, while still meeting regulatory requirements. In plain language and available in multiple languages, our documents clearly outline the requirements to open an account and disclose our verification of funds policy.

## Online banking

RBC has a solid record of online banking innovations. In 2006, we introduced a number of enhancements including:

- a guarantee for online deposit and investment accounts;
- the ability to view personal deposit statements online, with up to seven years of archiving.

## Online banking clients\* (millions)



\* Includes personal and business clients in Canada who enrolled for online banking services as of each year end (October 31).

## Low-income and underserved clients

RBC is committed to providing banking access to low-income and previously underserved clients through initiatives like:

- Our low-cost Canadian deposit account: one of the industry's most flexible, offering 15 debit transactions for a low, flat fee;
- A no-down-payment mortgage: eliminating the biggest barrier for would-be homeowners in Canada;
- Affordable mortgage options and first-time buyer workshops in the U.S.;
- Agency banking: access to basic banking for remote Aboriginal communities offered through innovative partnerships with local agents;
- Cash & Save®: banking services for people who may not have a bank account, offered in smaller premises for inner-city Toronto markets.

## Consumer Protection

RBC has committed to a number of voluntary codes to protect consumers, governing issues like debit card services, insurance activities, relations with small business, electronic commerce, unsolicited services, low-fee accounts and online payments, among others. For a full list of the Canadian codes, visit [rbc.com/voluntary-codes-public-commitments](http://rbc.com/voluntary-codes-public-commitments).



## Seniors

RBC is sensitive to the specific banking needs and concerns of the growing population of seniors. We offer specialized deposit and insurance options for seniors. We also provide training and presentation material to employees across Canada, enabling them to meet with groups of seniors to discuss financial fraud.

## Students and youth

RBC offers a variety of banking and credit products tailored to meet young people's needs at every stage of childhood and young adult life. For clients under 19 in Canada, our Leo's Young Savers Account® includes 15 free debit transactions monthly. We also contribute a \$5 deposit into accounts opened for children under 12, giving kids a head start on saving and everyday banking.

## People with disabilities

For clients with special needs, RBC's goal is to ensure equal access to premises and services. We have a strong record of making accessibility improvements and involving our clients and other stakeholders in the process.

- We worked with the Canadian Standards Association (CSA) to shape their industry standard for barrier-free banking machines (ATMs), and we were the first bank worldwide to provide audio-enabled ATMs – our prototype is being adopted as the de facto standard by both the CSA and other standards bodies around the world.
- Our physical locations are audited periodically for accessibility to identify and remove barriers to people with disabilities. Every new RBC branch must be wheelchair accessible and, wherever possible, we exceed legal requirements for access. All U.S. banking and administrative facilities built or renovated since the 1990s have met or exceeded *Americans with Disabilities Act* requirements. Today, approximately 90 per cent of RBC Royal Bank® and RBC Centura branches are wheelchair accessible.
- In 2006, clients had access to 425 “talking” bank machines across Canada and more than 550 machines ergonomically designed so that people in wheelchairs have easier access.
- Royal Direct® has a special number that can be accessed using a Teletype Writer (TTY) device, giving hearing-impaired clients 24/7 access to our telephone banking services.
- Alternate formats for our print materials include large type, audio cassettes, Braille and e-text. Over 800 RBC clients receive Braille statements.

## Aboriginal communities

In addition to seven Canadian branches located on reserves, RBC has established five agency banking outlets with Aboriginal communities in Alberta, Saskatchewan, Manitoba and Ontario, enabling remote areas to access financial services using RBC systems and infrastructure. In 2007, we plan to open another agency in British Columbia.

Our dedicated team of specialized Aboriginal banking market managers, account managers and risk managers understand the unique lending issues and financial service needs of

Aboriginal governments, businesses and communities. The team harnesses its expertise to provide proactive financial advice and solutions to our Aboriginal banking clients across Canada.

Forty-five First Nations participate in our On-Reserve Housing Loan Program, which helps more families enjoy the long-term benefits of home ownership and investing.

## Newcomers to Canada

One of RBC's goals is to be the financial institution of choice for newcomers to Canada and to serve the needs of the communities and cultures they represent. We are committed to making it easier for newcomers to succeed.

For example, new immigrants to Canada will find RBC's credit policies more attuned to their circumstances. Our Secured Visa Option has already helped thousands of newcomers begin building a credit history in Canada, and refinements to our Equity Mortgage Program have enabled more newcomers to buy a new home.

In 2006, RBC launched a *Welcome to Canada* program including:

- A website that provides relevant information on education, employment, housing and RBC solutions;
- Canada's only on-line account opening process that accepts non-resident applications. This lets new immigrants start the process of setting up their bank accounts before arriving in Canada;
- The addition of dedicated financial services representatives to our Beijing branch, to help newcomers set up the financial side of their new lives before arriving in Canada;
- RBC's first-ever television campaign geared to new immigrants from China and India, produced in five languages.

## WE SPEAK YOUR LANGUAGE

- As a group, RBC employees speak more than 100 languages.
- Combined, RBC call centre employees speak 60 languages.
- Our mobile mortgage specialists speak more than 35 languages.
- We have dedicated Chinese language telephone representatives and a Chinese language option on our banking machines at approximately 300 locations across Canada.
- In the U.S., RBC Centura has about 75 employees who speak Spanish fluently and all of our banking machines are bilingual.

For more information, visit  
[rbc.com/responsibility/business](http://rbc.com/responsibility/business)

# Economic impact



Companies both large and small can help shape the economies of the communities and countries in which they do business, simply through their day-to-day business decisions and actions. At RBC, we have an economic impact as an employer and taxpayer, through our activities as a provider of financial services and as a purchaser of goods and services.

This section of our report covers the direct and indirect impact we have on the economy.

## **PRIORITIES**

Our priorities include ensuring that we:

- Provide attractive returns to shareholders;
- Create employment;
- Support small business and community economic development;
- Foster innovation and entrepreneurship;
- Purchase goods and services responsibly.

## **2006 PERFORMANCE HIGHLIGHTS**

- Incurred taxes of \$2.08 billion worldwide.
- Provided employment to 69,480 people, with \$7.3 billion in employee compensation and benefits.
- Purchased goods and services totalling \$3.9 billion from suppliers of all sizes.
- Contributed \$83 million to community causes worldwide.
- Promoted innovation, a key driver of the economy, through investments in early-stage ventures and support for research-based initiatives.
- Served more than 420,000 small business clients in Canada and almost 58,000 small business clients in North Carolina, Georgia, Virginia, South Carolina and Florida.
- Remained the market leader for women entrepreneurs in Canada, with a 21 per cent market share.

# Stakeholder impact

RBC recognizes that our actions have economic consequences, and we strive to have a positive economic impact that benefits investors, clients, employees, suppliers, governments and communities. For information on how we benefit investors, please see our Annual Report.

## Governments

RBC incurred taxes of \$2.08 billion worldwide in 2006, compared to \$2.02 billion in 2005.

## Employees

In 2006, RBC provided employment to 69,480 people, with \$7.3 billion in employee compensation and benefits. RBC participates in over 100 external compensation benchmarking surveys to ensure our compensation packages remain fair and competitive. See page 14 for information on RBC's workplace practices and how we are striving to remain an employer of choice.

## Suppliers

In 2006, RBC spent \$3.9 billion on goods and services from national, regional and local suppliers of all sizes.

Our RBC Procurement Group is responsible for sourcing significant products and services. Our procurement policies are inclusive and aim to promote sustainable business practices and economic development where possible and appropriate.

RBC promotes fair purchasing practices and strives to support the communities in which we operate. RBC is a founding member of the Canadian Aboriginal and Minority Supplier Council. RBC has been a member of the Council's U.S. affiliate, the National Minority Supplier Development Council, since 2002.

## Communities

RBC contributed more than \$83 million to community causes worldwide. This includes donations of more than \$42 million, and an additional \$41 million in sponsorship of community events and national organizations. See page 24 for regional breakdowns and a description of the initiatives we support.

# Community economic development

RBC invests in sustainable economic development in the communities we serve. We are committed to contributing to the success of people and businesses in the places where we operate, through our support, partnership and leadership.

## BASIC NEEDS FIRST

It's nearly impossible for communities to thrive when their citizens are hungry, homeless or fear for their safety. RBC supports programs that meet basic needs and help people become more self-reliant.

### Food and shelter

In 2006, RBC and our employees gave over \$300,000 to help replenish food banks and soup kitchens across Canada. In the U.S., RBC Centura contributed US\$35,000 to support food banks in North Carolina and Atlanta, Georgia. Employees are also involved, year-round, in various food drives across North America.

Through Raising the Roof, Canada's only national organization dedicated to relieving homelessness, RBC gave \$100,000 to support the *Shared Learnings on Homelessness* web site. This bilingual site provides tools, resources and information-sharing for front-line staff and volunteers working to address homelessness in their communities.

RBC also supports activities that help reduce homelessness in communities around the world. For instance, in 2006, we supported Recanto Nova Era, a shelter for homeless senior citizens in São Paulo, Brazil.

### Emergency assistance

Around the world, RBC supports organizations that provide assistance with emergency and basic living needs. For instance, in Buenos Aires, Argentina, we contribute to Fundación Tzedaka, assisting people who live below the poverty line, and to Fundación Amigos de la Daia, providing people in poverty with access to better living conditions, medical treatment and emergency relief. In the Bahamas, we supported the National Emergency Management Agency (NEMA) to aid victims of Hurricane Wilma. RBC's contribution will help restore communities on the island of Grand Bahama that were severely affected by the storm.

During 2006, we partnered with the Red Cross and Magna International to build a new community centre in the heart of hurricane-ravaged Louisiana. The building can be quickly and easily converted into a large community evacuation shelter in case of future disasters.

## RESOURCES TO PROMOTE SELF-SUFFICIENCY

RBC supports programs and organizations that help people who are disadvantaged acquire skills, find jobs and build assets.

### Improving job prospects

For people who are unemployed and underemployed, it takes skills, opportunities and contacts to land the right job. RBC supports organizations that help overcome these challenges such as:

- The WoodGreen Community Centre's Homeward Bound Program, designed to help women and their children transition from shelter life to self-sufficiency;
- Multiworks Vocational Training Corporation, offering a variety of services to adults with cognitive disabilities in the northwest region of Saskatchewan, including pre-employment training and ongoing employment services;
- Opportunity International, facilitating micro loans for third world small business enterprises, and the Global Micro-credit Summit 2006, held in Halifax, Nova Scotia, where delegates from more than 100 countries gathered to assess progress toward the Millennium Development Goals;
- The Foundation for International Training, providing consulting services through the Economic and Social Council of the United Nations to increase the managerial and technical capacities of third world countries.

### Financial literacy

RBC supports a host of financial literacy initiatives in Canada and the U.S., including:

- The Lifeskills Education Program, helping more than 12,000 Canadian teachers educate students in grades 4 to 12 about financial literacy, planning and management. In 2006, 3,100 free kits were distributed. The RBC Royal Bank Financial Lifeskills Scholarship is awarded to 10 students annually;
- RBC Centura's series of financial literacy workshops delivered in the southeastern U.S. through schools, and community and civic groups;
- There's Something About Money, a seminar developed by the Canadian Bankers Association and delivered in classrooms across Canada by RBC employees. In 2005–2006, 102 RBC employees volunteered 1,368 hours to help 6,301 high-school students understand topics such as how to handle credit or start a business.

## Wealth through homes of their own

When renters become homeowners, the tax base grows and families can build equity, the foundation for prosperous communities.

- RBC Royal Bank offers a number of mortgage products that help first-time buyers achieve their dream of home ownership.
- RBC supports Habitat for Humanity across North America, with employee participation in community builds, and a donation of \$141,000 in Canada. These funds, along with employee volunteers, assisted in building homes at 14 building sites.
- RBC Centura partners with local economic development agencies, community leaders, real estate experts, credit counsellors and others, in its markets throughout the southeastern U.S. to source programs and enhancements that could help promote home ownership for low-income borrowers there.

## DONATIONS WITH IMPACT

In 2006, RBC donated more than \$2 million to support initiatives that will have a lasting social and economic impact such as:

- Helping disadvantaged people access financial services;
- Helping at-risk youth develop job skills;
- Helping create economic prosperity in communities;
- Helping students or disadvantaged people start their own small businesses;
- Supporting new ventures;
- Helping create capacity or innovation in the business sector.



RBC and our employees support Habitat for Humanity projects across North America.

## FOSTERING GROWTH

### Economic development

We help stimulate economic growth by investing in programs that enable economic development with a social purpose.

#### Canada

RBC has been a sponsor of the Economic Developers Association of Canada (EDAC) since 1980. To encourage community-driven economic development projects, the annual EDAC/RBC Economic Development Achievement of the Year Award was created to recognize individuals and organizations.

#### United States

RBC Centura helps communities access public and private financing sources for economic development and we also provide direct financing. Our long-standing partnership with the Rocky Mount/Edgecombe Community Development Corporation has fostered community economic development, individual asset development and prosperity since 1991.

RBC Centura provided US\$71\* million in financing for community development projects in 2005, benefiting low- and moderate-income populations. Projects include low-income housing rental and ownership developments, as well as affordable housing for the elderly and people with disabilities.

RBC Insurance® is a long-standing supporter of the Urban League of Upstate South Carolina, an economic development agency that uses education and advocacy to support economic empowerment in minority communities.

#### International

In 2006, RBC invested BSD\$2 million in Eleuthera, Bahamas' Cotton Bay Development, the first Bahamian-owned and -operated resort of its scale. The equity investment is seen by many as helping empower Bahamian business.

### Partnering for prosperity

Often a collective effort is more powerful than individual ones. That's why we support partnerships that promote community economic development and strongly believe in public/private initiatives. For instance:

- RBC supports the Greater Halifax Partnership (GHP) which comprises more than 130 private sector companies, three levels of government and skilled business professionals. GHP's mandate is to engage the community in the growth of Greater Halifax's economy, create new investment and high-quality jobs, secure the region's long-term fiscal health and enhance business confidence.
- RBC Centura helped create the public/private Carolinas Gateway Partnership, dedicated to economic development in the area. In 2006, the Partnership secured over 2,000 new job commitments and almost US\$50 million in investments, the largest annual gain in the organization's history.

- RBC has a team of 50 people dedicated to public/private partnerships in the United Kingdom, where such pairings have helped modernize essential public services while keeping costs in check and helping tackle the challenge of large infrastructure deficits.

### The currency of new ideas

A key dimension of long-term sustainability is the need to innovate. RBC has taken a leadership role in supporting innovation and commercialization. For instance:

- RBC Technology Ventures focuses on fund investments in early-stage venture capital funds throughout North America covering life sciences, health care, information technology, advanced technologies, agri-sciences and clean technology, as well as direct investments through the RBC Strategic Technology Fund (STF). The STF is more than just equity financing; RBC also provides the resources of our global network, deal flow and expertise and early adoption of these innovative technologies.
- We support Ontario Centres of Excellence, dedicated to promoting the economic development of Ontario through directed research, commercialization of technology and training for highly qualified personnel, and sponsored the 2006 Ontario Economic Summit through the Ontario Chamber of Commerce.
- In 2006, RBC launched the Next Great Innovator Challenge, asking university and college students across Canada for their opinions on how today's teens will influence the financial services industry of tomorrow and to describe an innovation, idea or concept that a financial institution should consider as a result.
- In Nova Scotia, RBC helped support innovation at Saint Mary's University by helping commercialize software developed by the Liberated Learning Program.

RBC is involved in a number of leading-edge research initiatives including:

- The Medical and Related Sciences (MaRS) project, facilitating Canadian research and development, and its commercialization;
- The National Angel Organization, an incorporated not-for-profit group that provides angel investors with a secure environment to network and share best practices;
- The Toronto Region Research Alliance, co-ordinating efforts to attract international R&D firms to Greater Toronto;
- Agri-food education programs and networks, which are leaders in the strategic use of innovative technologies for agriculture.

\* Data as at December 31, 2005. Final 2006 data was not available at time of printing. For more information about RBC Centura, visit [rbccentura.com/about/community/commdev.html](http://rbccentura.com/about/community/commdev.html).

## THE IMMIGRANT ADVANTAGE

RBC believes there are significant economic benefits when new immigrants succeed in Canadian society. We have adapted our credit, banking, marketing, recruiting and training practices to help make this happen. We also support organizations that help skilled immigrants find employment, such as:

- **Career Bridge**, which helps recently arrived, skilled immigrants earn local job experience and employers find qualified workers. To date, 83 employers have provided internships for 416 people, including 24 at RBC.
- **Immigrant Access Fund**, a not-for-profit group that raises funds to provide micro loans to internationally trained immigrants in Calgary for accreditation, training and upgrading of skills.
- **The Toronto Region Immigrant Employment Council**, a multi-stakeholder council working to improve access to employment for immigrants so they are better able to use the skills, education and experience they bring with them to Canada.

## ABORIGINAL COMMUNITIES

RBC is building wealth and capacity in Aboriginal communities by supporting the transfer of skills, knowledge and resources. We promote Aboriginal interests, forging partnerships with Aboriginal people, businesses, and governments based on understanding, trust and respect.

### Championing the cause

RBC encourages dialogue between businesses, governments and individuals to identify and resolve relevant economic issues. For example, in 2006, we participated in the Prime Minister's Canada-Aboriginal Peoples Roundtable, an historic event that set the stage for the Government of Canada and Aboriginal Peoples to work together to find solutions to the challenges facing Aboriginal people. The follow-up Sectoral Sessions brought together Aboriginal and non-Aboriginal experts to develop action plans and policy recommendations in six key areas: economic opportunities, health, life-long learning, housing, negotiations and accountability for results.

## Opportunities fuel growth

RBC supports organizations that promote well-being, learning and economic growth among Aboriginal Peoples, including:

- **Breakfast for Learning**, the only national, non-profit organization solely dedicated to supporting child nutrition programs in Canada. RBC's donation will ensure that youth in Aboriginal communities will have the energy that will lead to productive classroom studies.
- **Canadian Executive Service Organization's (CESO) national MBA project** that matches teams of graduate students in universities across Canada with Aboriginal communities to work on specific economic development projects. RBC is a founding sponsor.
- **The Frontiers Foundation**, a non-profit organization that promotes the advancement of economically and socially disadvantaged communities. Since 1964, Frontiers Foundation has developed over 2,000 housing units in communities across Canada.
- **The Anishnabek Nation 7th Generation Charities** work to combat the social and economic problems faced by Aboriginal communities in Ontario. Through RBC's donation, the organization provides funding to assist with culturally sensitive projects in the area of health and wellness.



RBC donated over \$150,000 to Aboriginal programs and research projects at universities and colleges across Canada in 2006.

## SMALL BUSINESSES

At the heart of RBC's commitment to businesses is our pledge to listen, understand and respond to the needs of our clients.

### Access to credit and more

Financing is essential for many small businesses to start, operate or grow. RBC offers a host of credit solutions tailored to meet the needs of diverse businesses at various stages. But access to credit is only one concern of small business clients. We also strive to meet other needs by providing the best possible products, advice and expertise.

### Client first

RBC's "client first" approach to small businesses means we are committed to making it easier for our clients to do business with us through streamlined processes and innovative products and service. In 2006, we:

- Introduced several timesaver tools, designed to make day-to-day banking easier for small business owners;
- Established a standing small business advisory panel to better understand and respond to the needs of small business owners;
- Improved small business credit delivery to provide faster decisions and reduced administration for small business owners;
- Invested in new technology to support client needs from account opening to ongoing relationship management.

## BUSINESS BANKING AT RBC

### Canada

- RBC is a market leader with more than 420,000 small business clients and 180,000 commercial clients in Canada.
- We have more than 500 account managers dedicated to small business clients and more than 1,200 account managers dedicated to serving commercial clients.
- We are the market leader for women entrepreneurs in Canada with a 21 per cent market share.

### United States

- RBC Centura serves almost 58,000 small business clients in North Carolina, Georgia, Virginia, South Carolina and Florida.
- We have about 400 bankers who serve small businesses, with nearly 60 people dedicated solely to this segment.

## Knowledge experts

There aren't one-size-fits-all solutions for business clients. We serve a diversity of industries, and have dedicated specialists to meet their needs. For instance:

- We tailor products and services for professionals, franchise owners and public sector organizations in Canada and the United States.
- We have 50 specialists dedicated to the manufacturing sector in Canada.
- We are the market leader in helping knowledge-based industries in Canada, with 40 specialized account managers solely dedicated to this sector.
- More than 18,000 not-for-profit clients in Canada use the RBC Community Account, launched in 1999. This low-fee account is available to churches, schools, societies and lodges, charities and associations. Service fees are waived for the first three months for certain core banking transactions.
- We are the market leader for women entrepreneurs in Canada. Our Women's Champions Network is made up of account managers, personal bankers and investment advisors.
- We provide tailored services and advice to help young people start and grow their businesses.
- Our farm finance specialists work with clients as partners, through bad times and in good. RBC is Canada's largest non-government private lender to agriculture and agribusiness and serves more farmers and farm families than any other financial institution in the country.

## Resources for entrepreneurs

We support a number of not-for-profit organizations that help small business owners start and grow their companies. We also offer a broad range of educational materials and seminars. For instance, in 2006 we launched a resource guide on *Improving Business Productivity through Sound Business Practices* as well as a guide to *Business Opportunities in the 2010 Winter Games*. In the U.S., RBC Centura publishes *The Business Advantage*, an economic newsletter with a focus on small business.

**For more information**, visit  
[rbc.com/responsibility/economic](http://rbc.com/responsibility/economic)

# Workplace and employment



RBC is considered a top employer, thanks to progressive policies, a commitment to diversity and inclusion, and a strong culture of employee engagement. We provide an enriching employee experience with competitive compensation, flexible benefit programs, training and career development opportunities, and support for work/family/life initiatives.

This section of our report highlights how RBC is committed to be an employer of choice.

## **PRIORITIES**

Our priorities include ensuring that we:

- maintain a strong values-based culture of employee engagement and passion for client success;
- live our commitment to diversity, inclusion and fairness;
- provide an enriching employee experience, including training and career development opportunities and flexible work/life support programs;
- implement progressive workplace policies.

## **2006 PERFORMANCE HIGHLIGHTS**

- Provided employment to 69,480 people in full- and part-time positions;
- Invested \$109 million in formal training and career development initiatives;
- More than 80 per cent of employees own RBC common shares through RBC's share savings and ownership programs;
- High employee engagement as indicated by global employee opinion survey;
- Established workplace principles defining what RBC stands for as an employer;
- Recognized as one of the top Employers for Workplace Diversity by *Canadian Immigrant Magazine*.



### Principle: Passion for client success

We value people who are passionate about putting clients first and about continuously improving our ability to help our clients succeed.

## VISION AND VALUES

Every employee at RBC is guided by our vision, “always earning the right to be our clients’ first choice” and our values of Service, Teamwork, Responsibility, Diversity and Integrity. In 2006, a global employee opinion survey showed that more than 90 per cent of employees are inspired by our vision and values, understand how they are contributing to our business strategy, and feel informed about key initiatives.

Our workplace principles, listed throughout this section of our report, define what we stand for as an employer and guide our continuing efforts to support the mutual success of our employees, clients and shareholders.

### Principle: 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.

## DIVERSITY AND INCLUSION

Diversity for growth and innovation is one of RBC’s core values. Our goal is to foster an inclusive work environment that brings out the best in everyone, provides opportunities for talented employees of all backgrounds, and contributes to the creation of innovative solutions for clients and communities.

### Leadership

Leadership sets the tone and directly manages the agenda for creating a diverse and inclusive work environment. Our CEO chairs our Diversity Leadership Council which meets regularly to set priorities, goals and strategies, establish accountabilities, and monitor progress. Our CEO regularly speaks to business audiences about the links between diversity and prosperity.

### Women

Our goal is to continue to increase the representation of women in senior management roles. We follow a consistent process for management staffing ensuring diverse candidates are put forward, with full candidate reviews, development planning and post placement support provided.

We also provide:

- access to personal work/life counselling services;
- maternity, parental and family responsibility leave;
- the option of returning to work gradually or in an alternative work arrangement;

## EMPLOYMENT WORLDWIDE

Fiscal year (ended October 31, 2006)

	Number of employees	Full-time equivalent positions
Canada	54,742	46,661
United States	10,580	10,056
International	4,158	4,141
<b>Total</b>	<b>69,480</b>	<b>60,858</b>

- emergency backup child care in several major centres. In 2006, more than 300 employees in the Greater Toronto Area, Calgary and Minneapolis accessed this service.

RBC supports industry efforts to advance the career success of women. In 2006, we sponsored:

- an ongoing study of “Women in Capital Markets” with Catalyst Canada, tracking the impact of efforts to increase the representation of women in the industry;
- an employee resource group at RBC Dain Rauscher® supporting women financial consultants.

### Visible minorities

Our goal is to continue to increase the representation of visible minorities at senior levels, and we encourage the business community to do the same. In 2006, we:

- sponsored the Immigrant Success Awards through the Toronto Region Immigrant Employment Council;
- sponsored a multi-year study through Catalyst Canada and Ryerson University to examine barriers to advancement for visible minorities in corporate Canada. Over 3,000 RBC employees also participated in the study;
- placed 16 interns through Career Bridge, an internship program for foreign-trained professionals. RBC is a founding sponsor of Career Bridge;
- delivered “cross-cultural competence” training to more than 200 managers;
- continued recruitment partnerships with the National Black MBA Association and the National Society of Hispanic MBAs in the U.S.;
- supported the Minority Employee Association at RBC Dain Rauscher.

### Employees with disabilities

We are committed to increasing the representation of people with disabilities within our workforce. In 2006, we:

- hired 75 employees with disabilities;
- placed 8 interns through Ability Edge, a paid internship program for graduates with a disability. RBC has placed 56 people through this program since 1996;
- hired 3 Paralympians as part of the RBC Olympians program.

RBC continues to advance opportunities for integrating employees with disabilities into the workplace. In 2006, we:

- held seminars with 250 managers across Canada focusing on recruitment, retention and accommodation;
- created an employee advisory group to improve our approach to accommodation, learning resources and talent management;
- partnered with Ryerson University to discover how people with disabilities develop careers inside organizations.

We also are committed to providing access to premises and information for our employees who have disabilities. We:

- provide a barrier-free workplace;
- require all new buildings and retrofits to be wheelchair accessible for both clients and employees;
- maintain high usability and accessibility standards, providing tools such as interactive messaging on wireless devices, amplified telephones, Braille displays and printers and TTY text telephones.

### Aboriginal employees

We are committed to increasing the representation of Aboriginal people within our workforce, through proactive recruitment and programs:

- RBC’s national Aboriginal Stay in School Program, launched in 1994, provides “work and learn” opportunities for youth, with 57 students involved in 2006.
- RBC’s Aboriginal Student Awards Program, established in 1992, also supports education, and in 2006, we provided awards to five students.
- “Mastering Aboriginal Inclusion,” a program series RBC is sponsoring through the Aboriginal Human Resources Council of Canada.
- Employee resource groups support Aboriginal employees across Canada with networking opportunities.

### Lesbian, gay, bisexual and transgendered employees

In 2006, RBC supported a national employee resource group for lesbian, gay, bisexual and transgendered employees in Canada. This group will contribute to RBC’s diversity goals by promoting awareness, understanding and inclusion.

### DIVERSITY IN RBC’S WORKPLACE IN CANADA\*

	2004	2005	2006
Women	72%	71%	70%
Women in management	54%	55%	55%
Visible minorities	23%	23%	24%
Visible minorities in management	19%	20%	21%
People with disabilities	3%	3%	3%
Aboriginal Peoples	2%	2%	2%

\* Figures represent Employment Equity data as of October 31, 2006 for our businesses in Canada that are governed by the *Employment Equity Act*. For more information, refer to RBC’s Annual Employment Equity Report on [rbc.com/uniquecareers/diversity/ee\\_report.html](http://rbc.com/uniquecareers/diversity/ee_report.html).

In the U.S., as a federal contractor, RBC Centura is subject to the *Americans with Disabilities Act (ADA)* relating to the employment of persons with disabilities.



**We simply cannot afford to overlook talented and smart people because of gender, ethnic origin or other differences. From a business perspective, diversity is one of our greatest competitive advantages in growing our intellectual capital and ensuring our ability to compete.**

**Gordon M. Nixon, President & CEO, RBC**

## Principle: High-performance work environment

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

### MONETARY AND NON-MONETARY REWARDS

Employees value both monetary and non-monetary rewards. We recognize that no two employees have identical needs, so our Total Rewards program is built to provide flexibility and choice, and to promote a shared accountability for success.

RBC's Total Rewards framework encompasses:

- fair and competitive performance-based compensation;
- flexible benefits that provide employees with the ability to choose the coverage needed;
- a positive and flexible working environment;
- learning and growth opportunities;
- long-term savings and wealth accumulation programs.

In 2006, we introduced an online report in Canada so that employees can review the full value and extent of their Total Rewards. We will provide this report to employees in the U.S. in 2007.

### Compensation and incentives

Each year, RBC participates in over 100 external compensation benchmarking surveys to ensure our compensation remains competitive. In 2006, we adjusted our annual incentive programs to reward employees not just for their results, but also for the behaviours used to achieve those results.

We provide long-term savings and wealth accumulation opportunities through employee share ownership plans and retirement savings plans that suit individual preferences and the tax environments of the countries in which we operate. More than 80 per cent of eligible employees are RBC shareholders through share savings and ownership plans.

### Health and wellness

All employees and their dependents have access to the RBC EmployeeCare program, with confidential access to information and counselling. In 2006, we:

- introduced an online Wellness Centre;
- launched a confidential online wellness tool, with more than 10,000 employees completing the self-assessment in the first six months;
- initiated a 10,000 steps walking program;
- distributed 56,000 flu information and prevention kits;
- provided employees with referrals to appropriate medical and support networks;
- maintained health and safety committees in all jurisdictions where we operate.

### Flexible working environment

RBC provides employees with the opportunity to work flexible hours, modified work schedules or work from home or off-site locations. About 1,000 employees work in formal job-sharing arrangements, and we estimate that one-third of our employees participate in informal flexible arrangements such as flextime and occasionally working from home.

## Principle: 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 with the spirit of a professional and to share responsibility for career planning.

### Career development and learning

RBC recognizes that a successful career means different things to different people. To some, it means a series of new jobs with increasing responsibility. To others, it means a long term commitment to a chosen specialty. RBC is committed to providing professional training and development so that employees can build successful careers. In 2006, we invested \$109 million in formal training and development programs, and introduced:

- RBC Campus, a global online learning system, providing employees with access to training resources and opportunities;
- a career information guide entitled Winning Careers at RBC;
- confidential access to Career Advisor, an external resource created by a leading career expert. More than 5,500 employees registered within the first two months of the site's launch.

### Recruitment

Our primary approach is to recruit from within RBC, and we will continue to offer growth and development opportunities for current employees. But building for the future also includes recruiting for new talent, and some of our key activities include:

- visits to 70 to 100 university, college and technical/business campuses each year;
- internship programs for new college and university graduates;
- an ongoing commitment to Career Edge, an internship program for new post-secondary graduates. RBC was a founding sponsor of this program, hosting 94 interns since 1996.

## Principle: 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 employee engagement.

### People management

People managers play a critical role in creating an engaging work environment. RBC invests in resources that support the approximately 8,000 people who manage people and teams across the organization. Key initiatives include:

- a series of four learning modules in the Managerial Excellence program. In 2006, 2,700 managers completed at least one of these modules;
- 360-degree reviews provide managers with anonymous feedback from their peers, direct reports and managers so they can advance their personal development;
- tailored Employee Opinion Survey data from within a manager's own unit so the manager can review key action plans with employees;
- a monthly Manager's NewsFlash with advice and information;
- an online resource that provides coaching and information, tools and forms.

## Principle: Partner for mutual success

We believe that winning 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.

### COMMUNICATION

#### Listening and responding

RBC has conducted regular employee opinion surveys since 1981. We compare our survey results with top performing North American companies and financial institutions. We celebrate our successes, and take action on areas for improvement.

In 2006, we conducted a global employee opinion survey to which over 70 per cent of employees responded. It indicated:

- strong support for the company's vision and values;
- a belief that RBC provides opportunities for personal growth and development;
- that employees value both the monetary and non-monetary rewards of working at RBC.

These were the strongest drivers of employee engagement at RBC, contributing to an employee engagement score that is well above the North American high-performance survey benchmarks.

However, employees said we could improve in the area of "performance and career management." In 2006, RBC introduced changes to our performance management system by:

- recognizing employees' behaviours as well as their contributions to the results we achieve;
- translating business strategies into clear team and individual goals;
- strengthening the link between personal contribution and annual incentive opportunity;
- increasing annual incentive opportunities for exceptional results to provide differentiated rewards for top performers;
- introducing resources to assist employees in building a winning career, including providing all employees globally with access to Career Advisor, an online career development resource.

#### Information and education

Keeping employees informed is part of RBC's culture.

In 2006, we:

- held quarterly conference calls with the CEO and senior executives covering financial and business performance, key initiatives, updates on employee programs and an open forum for questions and answers;
- enhanced our corporate intranet site with more targeted information to help employees do their jobs, put clients first, and understand RBC's businesses. In 2006, there were 220 news stories posted, averaging four stories per week;
- expanded access to our intranet by enabling employees to log on at work and at home. Employees have 24/7 access to resources, forms, contacts, information about human resource policies and their Total Rewards;
- launched a monthly intranet-based news magazine, designed to encourage two-way communication. More than 12,000 employees participated in quick polls in the first six issues.

#### Employee concerns

Employees with concerns may approach our Employee Ombudsman, within the Office of the Ombudsman. This confidential and impartial resource provides a way for employees to manage and resolve workplace conflict through discussion, coaching and mediation. In 2006, the Employee Ombudsman handled 1,027 cases on behalf of all RBC businesses and employees.

More information on RBC workplace and employment practices can be found in our Annual Report and on [rbc.com/careers](http://rbc.com/careers) and [rbc.com/responsibility/workplace](http://rbc.com/responsibility/workplace)

# Environmental sustainability



At RBC, we recognize that our sustainable long-term economic success depends on a sound environment and healthy communities. We believe that respecting the principles of sustainable development will provide short- and long-term returns for our shareholders, clients, and employees while preserving our economy and environment for future generations.

This section of our report provides an overview of RBC's approach to environmental sustainability and finance.

## **PRIORITIES**

Our priorities include ensuring that we:

- lend responsibly;
- leverage “green” business opportunities;
- reduce our operational impact.

## **2006 PERFORMANCE HIGHLIGHTS**

- Named to the **Global 100 Most Sustainable Corporations 2006** list.
- Committed to the revised Equator Principles.
- Evaluated the social and environmental impacts of four Equator Principle projects.
- Reviewed nearly 700 transactions using RBC environmental risk experts where environmental issues were identified as material.
- Decreased our year-over-year greenhouse gas emissions by 7 per cent.
- Purchased 1,000 megawatt hours (MWh) of green power, mitigating 640 tonnes of greenhouse gas emissions.
- Reduced paper consumption by approximately 20 tonnes by providing clients the option of “turning off” paper statements.

## POLICY

RBC's Corporate Environmental Policy was developed in 1991, launched in 1992 and revised in 2004. It supplements the environmental section of our employee Code of Conduct.

The original objective of the Policy was to shield credit transactions from environmental risks. As our understanding of environmental issues has expanded over the years, and through stakeholder engagement, research and collaboration, we revised our Policy so that it now guides RBC's business and operational activities in a manner more consistent with the evolving principles of sustainable development.

We are reviewing our Policy to address current and emerging environmental issues, and will issue a revised Corporate Environmental Policy Statement in 2007.

## STRUCTURE AND GOVERNANCE

Environmental risks are managed by the Environmental Risk Management Group (ERMG), with oversight provided by the Chief Risk Officer and ultimately by the Conduct Review and Risk Policy Committee of our Board of Directors. Management responsibilities include:

- **Lending:** RBC's ERMG develops policy and oversees our environmental risk activities related to lending, including review of transactions, as appropriate.
- **Business development:** Each of RBC's businesses worldwide may pursue business opportunities related to the environment, such as the financing of wind power or the creation of "green" products and services.
- **Operational impact:** Activities are managed co-operatively by the ERMG, Corporate Real Estate, Strategic Sourcing, and Corporate Communications groups. These groups house expertise in credit, project finance, emerging environmental issue identification and assessment, operations, and environmental reporting. Collectively, they develop, integrate and manage environmental policy, programs and practices for RBC.

## STAKEHOLDER ENGAGEMENT

RBC believes that by engaging stakeholders we will deepen our understanding of environmental issues and, as a result, be better able to achieve a sustainable balance between environmental stewardship and economic prosperity.

In 2006, RBC worked with external stakeholders to identify and assess environmental issues such as climate change, forestry, biodiversity and the rights of indigenous peoples so that we could better evaluate risks and opportunities to our business activities and operations.

- We met with Ethical Funds, the Rainforest Action Network, Forest Ethics, the World Wildlife Federation, and the Canadian Boreal Initiative to share views about how RBC can reduce its direct and indirect environmental impacts. Areas explored included policy development, environmental risk assessment methodologies and operational impacts.

- We liaised with the Pembina Institute, World Resources Institute and Forest Products Association of Canada.
- We participated in a UNEP FI/World Resources Institute Working Group on Biodiversity, and aided in the development of a UNEP FI Biodiversity Working Group options paper on biodiversity.
- We contributed to the undertaking of a co-operative study with Environment Canada, the informal Network Linking Environmental Performance to Financial Value, and five Canadian banks to examine issues facing Canada and the boreal forests and explore options for Canadian financial institutions.
- We belong to a number of organizations that support environmental sustainability, which are listed on page 3.

## RBC COMMITMENTS

- The Equator Principles.
- The United Nations Environment Programme Finance Initiative.
- International Chamber of Commerce Business Charter for Sustainable Development.

## RESPONSIBLE LENDING

RBC provides lending services to millions of clients in a variety of jurisdictions. Our lending activities support a broad range of client needs, including traditional operating loans, residential and commercial mortgages and project financing. As a responsible lender, we practice a high level of due diligence to identify, assess and help mitigate the environmental risks associated with lending to our clients. Responsible lending protects RBC's interests while providing a value-added service to our clients, and it is part of what makes RBC a preferred lender.

Our environmental credit risk policy suite forms the foundation of our approach to responsible lending and covers a range of environmental risks and business activities. Transactions are reviewed for environmental issues and escalated to our environmental specialists where warranted for further analysis and approval.

### The Equator Principles

In 2006, RBC committed to the revised and broadened version of the Equator Principles, a set of voluntary guidelines addressing environmental and social risks associated with project finance transactions. RBC contributed to the revision of these Principles as part of the Equator Principles Working Group.

Since our original adoption of the Equator Principles in 2003, RBC has reviewed 14 projects under our related internal policy. Seven of these related to projects in Canada, six in the Middle East, and one in the U.K. Nine of these transactions have been completed, two were cancelled, one sought alternative financing, and two are in the process of completion.

To ensure continued compliance with the Equator Principles, we are revising our Policy on Social and Environmental Review in Project Finance, updating procedures for lenders and risk managers, and continuing communication and training activities with relevant employees.

EQUATOR PRINCIPLES REVIEWS				
	Projects reviewed (1)	Equator Principle category (2)		
		A	B	C
2004	4	1	1	2
2005	6	2	4	0
2006	4	3	1	0
<b>Total</b>	<b>14</b>	<b>6</b>	<b>6</b>	<b>2</b>

(1) In 2005, RBC reported the review of two Equator Principle projects. This number represented the transactions reported to the ERMG in 2005, but did not include those transactions reviewed by independent reviewers for RBC. In 2006, we modified our Equator Principle data collection methodology to include all Equator Principle transactions initiated in a given reporting year.

(2) When a project is proposed for financing, RBC will categorize the project based on the magnitude of its potential impacts and risks in accordance with the environmental and social screening criteria of the International Finance Corporation. These categories range from A, which represents projects with potential significant adverse social or environmental impacts that are diverse, irreversible or unprecedented, to C, which represents projects with minimal or no social or environmental impacts.

For additional information visit [www.equator-principles.com](http://www.equator-principles.com).

## BUSINESS OPPORTUNITIES

While climate change represents commercial risks to our company and our clients, there are also short- and long-term investment and business development opportunities to be found in adaptive technologies, such as renewable energy, energy efficiency, clean technologies and other environmental and sustainable market opportunities.

For example, RBC Technology Ventures is a lead investor in the GEF Clean Technology Fund, to which we are committed through 2007 and beyond. We have also maintained our \$50 million Alternative Energy Venture Fund. Moreover, we are seeking opportunities to further expand our highly successful underwriting, arranging and advisory services for alternative energy financing. We are also continuing to explore the business potential of “green” financial products, such as emissions trading and Socially Responsible Investment (SRI) products.

## ISSUES

### Climate change

The effects of climate change present environmental, social and financial challenges to the global economy as well as to our own business activities and operations. RBC continually works to reduce our greenhouse gas emissions, provide financial products to qualified parties seeking to do the same, conducts independent and co-operative research, and consults with stakeholders in response to the many challenges of climate change.

In 2006, RBC submitted our fourth annual response to the Carbon Disclosure Project (CDP), sponsored by a coalition of 225 institutional investors representing more than US\$31 trillion in assets, to assess how more than 2,100 companies worldwide are managing climate change risks and opportunities. RBC outperformed most of our competitors in the banking sector, ranking within the top three of North American respondents. Through 2007, RBC will continue to address climate change with our pragmatic response plan, which includes:

- Enhancing our operational greenhouse gas data collection and reporting system to include a greater share of our facilities and operations;
- Reporting on our performance initiatives;
- Monitoring and responding to climate change-related initiatives, including voluntary and legislative frameworks;
- Reviewing methodologies as they are developed, to incorporate “carbon risk” into credit, borrower, and sector risk rating profiles.

### Forestry, biodiversity and the rights of indigenous peoples

RBC recognizes the importance of our forests, the diverse ecology they support, and the local populations that use these forests to live and sustain themselves. As such, RBC continues to participate in co-operative research in this area and engage stakeholders who are committed to responsible forestry practices. This helps us work toward achieving the shared goal of stewarding long-standing forests, maintaining regions of abundant biodiversity, and working towards a sustainable economy for indigenous peoples.



RBC contributed to the undertaking of a co-operative study with Environment Canada, the informal Network Linking Environmental Performance to Financial Value, and five Canadian banks to examine issues facing Canada and the boreal forests and explore options for Canadian financial institutions.

## IMPACT OF OPERATIONS

Financial services companies are not typically considered a “high intensity” sector in terms of their environmental impacts. However, our operational footprint is nonetheless significant: we occupy more than 1.8 million square metres of office space and consume more than 7,300 tonnes of paper and approximately 250,000 MWh of electricity each year in our Canadian and U.S. operations.

To reduce our operational footprint, and hence our greenhouse gas emissions, RBC is focused on decreasing our material use and disposal and increasing our efficiency.

## SOFT FOOTPRINT REDUCTION PROGRAM

In 2006, we developed an internal Sourcing, Operations, Facilities and Travel Environmental Footprint Reduction Program (SOFT Footprint) to help reduce our demand on natural systems while managing costs more efficiently. Areas covered under this program include energy use and facility management, travel, paper reduction and responsible sourcing.

The objectives of SOFT Footprint are:

- to enhance our environmental data collection system so that it more accurately reflects our worldwide operational footprint;
- to identify areas where we can reduce our demand on natural systems;
- to enable RBC’s emissions reduction target setting strategy;
- to provide cost management opportunities;
- to improve reporting accuracy and procedures.

Since 2004, RBC has seen positive trends with our conservation and efficiency initiatives with approximately 14,644 metric tonnes of greenhouse gas emission reductions. We are at the early stage of collecting data and reporting on our energy, paper and waste reduction initiatives, and expect this information to become more robust and complete in the future.

Here are more highlights from 2006:

- We purchased 1,000 MWh of green power, mitigating 640 tonnes of greenhouse gas emissions. Since 2002, we have purchased 5,770 MWh of EcoLogo-certified energy from BC Hydro, Bullfrog Power and Ontario Power Generators, offsetting 3,572 tonnes of greenhouse gases.
- We tested a relocation service that reuses and recycles furniture and equipment, as well as disposing of material in an environmentally friendly manner.
- We reduced paper consumption by approximately 20 tonnes by providing clients the option of “turning off” paper statements. Nearly half of active online banking customers chose this option in 2006, saving approximately 62 tonnes of forest, 220 MWh of energy, and reducing greenhouse gas emissions by 5 tonnes.

## PURCHASING

Our Procurement group, responsible for the company’s purchases of goods and services, has developed a Green Sourcing Initiative, which employs environmental screening mechanisms, such as our Green Product Questionnaire, to help us select the most appropriate vendors for RBC. We believe that by influencing our suppliers to increase their efficiency, we will reduce our indirect energy use, material consumption and greenhouse gas emissions.

## COMMUNITY SUPPORT

RBC also supports community organizations dedicated to environmental sustainability. Highlights from 2006 include:

- Bahamas National Trust: RBC Royal Bank of Canada® donated \$40,000 to help provide hands-on environmental and science-based educational programs to students in The Bahamas.
- Evergreen: RBC donated \$50,000 to help create and sustain healthy, natural outdoor spaces that revitalize schools and conserve public spaces through community naturalization efforts.
- Ducks Unlimited: RBC donated \$75,000 to help preserve wetland habitats across North America through education programs, conservation efforts and research.

## MOVING AHEAD

In 2007, we plan to:

- Issue our revised Corporate Environmental Policy Statement;
- Continue to purchase “green power”;
- Provide additional opportunities to our online banking customers to “turn off” paper statements;
- Develop additional paper-saving initiatives for clients;
- Launch a paper reduction initiative for RBC’s internal operations;
- Expand Equator Principles training for relevant RBC project finance employees;
- Enhance our environmental data collection system using SOFT Footprint;
- Continue to work to reduce our operational greenhouse gas emissions.

For more information, visit [rbc.com/environment](http://rbc.com/environment)



## GREENHOUSE GAS EMISSIONS AND SOFT FOOTPRINT REPORT

While we have not yet set numeric targets for reductions in areas such as greenhouse gas emissions, energy and paper consumption, we expect that our SOFT (Sourcing, Operations, Facilities, Travel) Footprint program will help us determine appropriate targets going forward. RBC's comprehensive

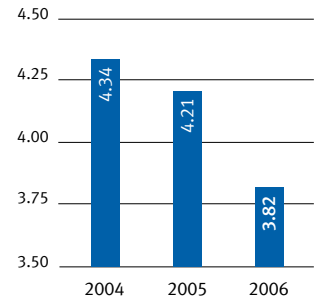
SOFT Footprint report is available at [rbc.com/environment](http://rbc.com/environment), further detailing our performance. The table below provides a summary of some of our key environmental performance indicators, and shows our total accounted greenhouse gas emissions as 72,192 metric tonnes for 2006.

Reference information	2004	2005	2006
Number of full-time equivalent employees (FTE)	61,003	60,012	<b>60,858</b>
Total floor area (sq. m.)	1,891,272	1,907,606	<b>1,840,669</b>
<b>Energy footprint</b> <sup>(1)</sup>			
Energy consumption (MWh)	201,134	196,304	<b>178,366</b>
Consumption per FTE (MWh)	4.34	4.21	<b>3.82</b>
Consumption per sq. m. (MWh)	.313	.307	<b>.271</b>
Coverage (%) <sup>(2)</sup>	47	46	<b>48</b>
<b>Travel footprint</b> <sup>(3)</sup>			
<b>Air miles</b> <sup>(4)</sup>			
Total air miles	118,991,118	130,640,011	<b>102,961,075</b>
Air miles per FTE	2,042.6	2,274.4	<b>1,776.6</b>
Coverage (%) <sup>(5)</sup>	95	95	<b>95</b>
<b>Rail miles</b>			
Total rail miles	495,459	1,325,396	<b>640,469</b>
Rail miles per FTE	8.5	23.1	<b>11.1</b>
Coverage (%) <sup>(5)</sup>	94	93	<b>93</b>
<b>Automotive Miles</b>			
Total automotive miles	N/A	N/A	<b>3,484,587</b>
Automotive miles per FTE	N/A	N/A	<b>60.1</b>
Coverage (%) <sup>(5)</sup>	0	0	<b>98</b>
<b>Paper footprint (tonnes)</b> <sup>(6)</sup>			
Office paper use <sup>(7)</sup>	2,425	3,243	<b>2,157</b>
Direct mail paper use	N/A	4,309	<b>5,155</b>
Paper use per FTE	0.042	0.134	<b>0.129</b>
Coverage (%) <sup>(8)</sup>	94	93	<b>93</b>
<b>Greenhouse gas emissions (tonnes)</b>			
CO <sub>2</sub> from energy footprint <sup>(9)</sup>	43,359	42,284	<b>38,545</b>
CO <sub>2</sub> from travel footprint <sup>(10)</sup>	15,119	16,673	<b>14,742</b>
CO <sub>2</sub> equiv. from paper footprint <sup>(11)</sup>	6,054	19,092	<b>18,905</b>
<b>Total absolute CO<sub>2</sub> emissions</b>	<b>64,532</b>	<b>78,049</b>	<b>72,192</b>
<b>CO<sub>2</sub> per FTE (tonnes)</b>	<b>1.06</b> <sup>(12)</sup>	<b>1.30</b>	<b>1.19</b>

- (1) Energy consumption is based on actual reported consumption (2004 and 2005) and cost-derived consumption (2006) for Canadian operations.  
 (2) Energy coverage refers to the (%) total energy consumption data available by square metre.  
 (3) Travel data reported for Canada, U.S., U.K. and Channel Island operations.  
 (4) Air mileage for 2006 is reported for January 2006 through October 31, 2006. Mileage for 2004 and 2005 is reported for full calendar years.  
 (5) Travel coverage refers to the (%) total travel miles data available by RBC full-time equivalent employee (FTE).  
 (6) Paper data reported for Canada and U.S. operations.  
 (7) Includes recycled and non-recycled content paper.  
 (8) Paper coverage refers to the (%) total paper consumption data available by RBC FTE.  
 (9) Energy-related greenhouse gas (CO<sub>2</sub>) emission calculations were conducted using the GHG Protocol of the World Business Council for Sustainable Development (WBCSD).  
 (10) Travel-related greenhouse gas (CO<sub>2</sub>) emission calculations were conducted using the WBCSD GHG Protocol.  
 (11) Paper-related greenhouse gas (CO<sub>2</sub> and CH<sub>4</sub>) emission calculations were conducted using the Environmental Defense Paper Calculator.  
 (12) Does not account for the unreported emissions from Direct Mail Paper.

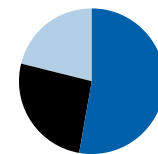
The environmental data reported here has been provided to RBC by third-party suppliers, vendors and service providers. We continue to work to improve the reliability of the environmental data we receive so that it accurately reflects RBC's enterprise-wide SOFT Footprint. There are variations between the 2004-05 data reported here and the equivalent data provided in our 2005 Corporate Responsibility Report. These variations are a result of our ability to capture and report on a greater proportion of RBC's operations; a change in greenhouse gas emission factors by the WBCSD; and the quality of environmental data reported to RBC by our service providers. We expect that these figures will continue to change as our SOFT Footprint program is more fully implemented, and we will continue to report any such changes.

### Energy footprint per FTE (MWh per FTE)



Since 2004, RBC has reduced our energy consumption per employee in our Canadian branch network by approximately 12 per cent.

### 2006 CO<sub>2</sub> emissions



- % of CO<sub>2</sub> from energy 53%
- % of CO<sub>2</sub> from paper 26%
- % of CO<sub>2</sub> from travel 21%

# Community engagement



RBC believes in building prosperity by contributing to the communities in which we live and work. Our tradition of philanthropy dates back to our roots, with donations on record as far back as 1891. We are now one of Canada's largest corporate donors, and we support a broad range of community initiatives, through donations, sponsorships and employee volunteer activities.

This section of our report provides our community investment highlights from 2006 – you can find more details all year long at [rbc.com](http://rbc.com).

## **PRIORITIES**

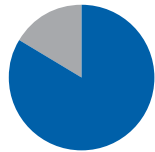
Our priorities include ensuring that we:

- provide donations that have a lasting social impact;
- sponsor key community initiatives;
- enable employees to contribute.

## **2006 PERFORMANCE HIGHLIGHTS**

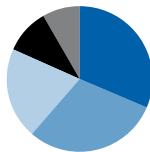
- Contributed more than \$83 million to community causes worldwide, through donations of more than \$42 million, and an additional \$41 million in sponsorship of community events and national organizations.
- Qualified as an Imagine Canada “Caring Company,” having donated at least one per cent of pre-tax profits measured on a five-year rolling average to charity.
- Employees and pensioners worldwide contributed countless hours in volunteer activities and funds to not-for-profit groups through payroll deductions, direct giving and special events.

**2006 Donations worldwide**  
(\$)



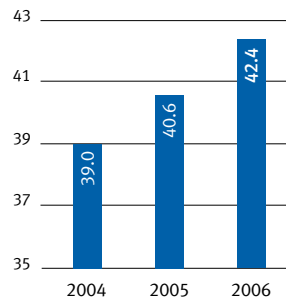
■ Canada	\$ 35,471,617
■ International	\$ 6,928,653
<b>Total</b>	<b>\$ 42,400,270</b>

**2006 Donations by cause**  
(Canada \$35,471,617)



■ Education	31.5%
■ Health	29.9%
■ Social services	20.3%
■ Arts and culture	10.0%
■ Civic	8.3%

**Donations history**  
(\$ millions)



**APPROACH TO COMMUNITY RELATIONS**

RBC believes in contributing to communities across North America and around the world where we operate.

**Cornerstones**

Donations and sponsorships are the cornerstones of our community investment programs.

While donations are given as gifts, sponsorships are deliberately negotiated for marketing purposes, to align with our brand and business strategies and deliver a quantifiable return on investment. For information about donations or sponsorship requests, visit [rbc.com](http://rbc.com).

**Governance**

The member companies of RBC administer charitable donations through the RBC Foundation®, established in 1993. Our Donations Policy covers our guidelines and strategy and is reviewed annually by the Public Policy Committee of the Board of Directors.

RBC Foundation has its own Board of Directors, representing each of our businesses worldwide, to set policy and ratify all donations made in North America. The Foundation is staffed by five employees. To ensure our giving fulfills local needs, we also have professional grant-makers situated in each of our regional Canadian headquarters as well as our United States businesses.

**Due diligence**

RBC Foundation in Canada receives about 20,000 requests for funding each year – more than 10 requests for every hour of the business day. With this many proposals, we notice when mandates of different charities overlap and we encourage synergies between organizations. Our goal is to ensure that our charitable partners have sustainable sources of funding and use their donors’ funds responsibly.

Our grant-makers follow a rigorous process when evaluating proposals to ensure our funds are invested with the utmost care and responsibility. We look at whether the charity has a wide range of support and assess its ability to deliver programs. We assess the charity’s fiscal management and governance practices, and require that all charities provide audited financial statements.

**Social impact**

The RBC Foundation requires our charitable partners to demonstrate the social impact of our contribution, and to provide details about their goals and gaps they encountered during the time they receive funding.

We invest significantly in community sponsorships that have a positive social impact. For instance, we believe that vibrant communities need an environment that celebrates arts and culture so we sponsor artistic endeavours. We also believe in the spirit of teamwork and personal achievement embodied in amateur sport, so we support all levels of amateur athletes, from the community level to those who dream of Olympic gold.

**Targets and performance**

We are a founding member of Imagine Canada, which encourages philanthropy and citizenship, and are committed to donating at least one per cent of our average annual net income before taxes, based on a five-year average. A complete list of donations over \$500 given in 2006 is available on [rbc.com/community/donations](http://rbc.com/community/donations).

**2006 Donations by region (\$)**

Newfoundland and Labrador	\$ 286,551
Prince Edward Island	155,500
Nova Scotia	1,354,686
New Brunswick	682,617
Quebec	4,222,026
Ontario	14,736,725
Manitoba	1,408,700
Saskatchewan	915,123
Alberta	2,868,017
British Columbia	3,712,056
Yukon, Northwest Territories and Nunavut	86,000
National organizations (Canadian)	5,043,616
United States	6,233,653
International	695,000
<b>Total</b>	<b>\$ 42,400,270</b>

## VOLUNTEER ACTIVITY

RBC is a member of the Corporate Council on Volunteering, a committee made up of 20 corporate leaders to encourage employer-supported volunteerism.

RBC's employees and pensioners are passionate volunteers. As financial services professionals, they share their valuable knowledge. They participate on not-for-profit boards and committees, provide money-management workshops, and share their budgeting and business planning knowledge.

We celebrate and thank our employees for all they do to build strong, healthy communities. To see profiles of some of our employee volunteers, visit [rbc.com/community/donations](http://rbc.com/community/donations).

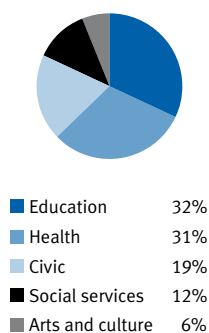
### Dollars for doers

Launched in 1999, RBC's Employee Volunteer Grants Program supports community involvement. Employees and pensioners who volunteer a minimum of 40 hours a year to a registered charity are eligible for a \$500 grant to the organization in their honour. Many of these grants are applied to specific projects at smaller organizations that do not even have the resources to fundraise.

Since 1999, RBC has made over 10,700 grants and donated more than \$5.35 million to celebrate our employees' volunteer efforts. We expanded this program to our operations in the United States in 2004, and provided 135 grants there in 2006.

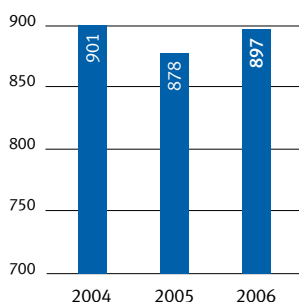
### 2006 Employee volunteer grants

Number of grants (Canada) 1,795  
Total \$897,500



### Employee volunteer grant history (Canada)

(\$ thousands)



## COMMUNITY PRESENCE

RBC builds prosperity by supporting a broad range of causes including federated appeals, youth, education, Aboriginal Peoples, people with disabilities, amateur sport, arts, culture, health and wellness.

### United Way

RBC is the largest private sector contributor to the United Way in Canada, and one of only 53 organizations that contribute over \$1 million annually. Ours is the largest private sector employee giving campaign in Canada, with more than \$9 million contributed through payroll deduction, direct giving and employee-driven fundraising events.

In 2006, we loaned 15 employees to work full-time on local United Way campaigns. Through United Way Days of Caring, 445 RBC employees participated in community projects across Canada.

### United Way: Corporate donations

Canada	\$	3,395,363
United States	US\$	183,306

### United Way: employee donations\*

Canada	\$	9,380,140
United States	US\$	525,000

\* This includes funds raised through payroll, direct giving and employee fundraising events. RBC employees around the world also help raise funds for countless community groups in addition to the United Way.

### Youth and education

By investing in youth and education, RBC is sowing the seeds of a stronger future for our communities. In 2006, we supported initiatives that help keep kids in school, as well as those that help them grow and thrive such as:

- Youth, I.N.C., a U.S.-based non-profit organization that seeks to improve the operations and develop the capacity of other non-profits serving youth;
- Kid\$wish, a new program where kids help other kids, piloted with University of Minnesota basketball teams;
- The National Society for the Prevention of Cruelty to Children in the Channel Islands, chosen by RBC's Guernsey offices as their charity of the year in 2006, for which they raised thousands of pounds.

### Keeping kids in school

- In 2006, RBC invested \$2 million with 72 of Canada's top community-based after-school programs, bringing our total funding in this area to \$12.6 million since 1999. These programs help 11,000 children build social skills and self-esteem through structured activities in safe environments.

- RBC Centura supports Communities In Schools, a not-for-profit organization that promotes high school completion among students across the southeastern United States.
- RBC supports Junior Achievement (JA), an international organization that provides students with a first-hand glimpse into the world of business. In Canada alone, 757 employee volunteers invested 10,454 hours delivering JA programs.
- Through its Tribute to Teachers program, RBC Centura awarded \$12,500 to 25 teachers throughout the southeastern United States in 2006. The program recognizes teachers who demonstrate exceptional leadership.

#### Towards higher education

- RBC provides products to help parents finance a child's education. The RBC Target Education Funds offer investment growth potential up-front and become more conservative as the child approaches college or university age. Through the RBC Rewards® program, RBC Royal Bank Visa cardholders can exchange their points for a cash contribution to an RBC Registered Education Savings Plan.
- RBC invests in education through scholarships, including:
  - The RBC Scholarship Program for our employees' children;
  - The RBC Medical and Dental Student Scholarship;
  - RBC Royal Bank Financial Life Skills Scholarship;
  - A number of scholarships through programs, not-for-profit organizations and post-secondary institutions.

### YOUTH AND EDUCATION

RBC Foundation donated more than \$10 million to support youth and education in Canada in 2006.

#### Aboriginal Peoples

RBC is committed to supporting education and job creation for Aboriginal youth.

- RBC Foundation donated over \$950,000 to support Aboriginal causes in 2006.
- Since its inception in 1992, RBC's Aboriginal Student Awards Program has provided 69 scholarships totalling \$834,000. Five students received awards in 2006. Award recipients are also considered for summer and post-graduate employment opportunities with RBC.
- RBC supports the Historica Foundation's heritage programs for Aboriginal students. The program inspires young people to share their history with other Canadian students.
- RBC donated funds to the Dominion Institute to support its Aboriginal Youth Writing Challenge, encouraging Aboriginal high school students to write about an event in Aboriginal history.

#### People with disabilities

RBC believes that full inclusion is in the best interests of our communities and our countries. We support programs that help create employability and remove barriers to education for people with disabilities. Since 2000, RBC Foundation has donated almost \$6 million to organizations supporting people with mental illness, including:

- H'art Studio's "College Bound" program, a non-profit initiative that provides literacy, computer literacy, and life skills training for adults with intellectual and developmental disabilities in Kingston, Ontario.
- Mental Illness Awareness Week (MIAW), an annual national public education campaign.

#### Arts and culture

Vibrant communities celebrate arts and culture, and RBC supports a wide range of initiatives that contribute to the cultural fabric of our communities.

- The RBC Canadian Painting Competition, established in 1999, nurtures Canadian visual artists early in their career. The competition offers one national prize of \$25,000 and two honourable mentions receiving \$15,000 each. Winning works become part of RBC's art collection.
- RBC's art collection was established in 1929 to support Canadian artists. Today, our collection contains 4,000 paintings, prints and sculptures, displayed in RBC locations around the world. In 2006, 40 works from RBC Dain Rauscher's collection in Minneapolis toured cities across the United States where our offices are located.
- RBC supports emerging artists. In 2006, we invested more than \$360,000 in apprenticeship and internship programs. We are also completing a \$300,000 commitment to help build a Creative Arts Centre at the University of West Indies in Barbados.
- RBC sponsors many cultural events in communities where we do business. For instance, in St. Lucia, we sponsor the week-long Jazz on the Square event that showcases regional and international jazz artists. In Montevideo, Uruguay, we support the Southern Cross Pipe Band and an amateur theatre group.

#### Amateur sport

RBC supports amateur athletes of all levels, from the community to the Olympic level.

##### *Supporting Canada's Olympic Team*

- RBC is the longest-standing corporate sponsor of the Canadian Olympic Team, since 1947. We are the Premier National Partner in the banking category for the 2010 Olympic and Paralympic Winter Games in Vancouver, B.C., which includes sponsorship of the Canadian Olympic Team for all Games from 2006 to 2012. RBC's total commitment of \$110 million includes a cash contribution of more than \$70 million as well as provision of banking services, athlete and amateur sport investments, support for the Paralympic Games, First Nations community development programs and marketing support through the RBC network.

- RBC employs current and retired Olympic and Paralympic athletes through the RBC Olympians Program, offering flexible work arrangements so that athletes can make time for training and competition. RBC Olympians act as community ambassadors, visiting schools, community groups, clients and employees. The program also provides valuable work experience to help athletes prepare for life after sport. Since its launch in 2002, the RBC Olympians Program has employed more than 36 athletes and several have gone on to full-time careers with RBC.

#### Special Olympics

- As a founding sponsor of Special Olympics Canada, RBC helps provide sport training and competitive opportunities for 31,000 Canadian athletes with an intellectual disability. RBC employees volunteer their time as coaches and fundraisers while the RBC-supported Sport Celebrities Festival raises more than \$1 million annually.

#### Hockey

- RBC has been a Premier Sponsor of Hockey Canada since 1995. In addition to supporting Canada’s Men’s and Women’s National and Olympic teams, RBC is title sponsor of the National Junior A Championship, the RBC Royal Bank Cup.
- In its third year, the RBC Local Hockey Leaders® program recognized “behind the scenes” volunteers who support hockey in their community. Thirteen regional winners were recognized in the Hockey Hall of Fame, with RBC donating \$10,000 to minor hockey in each of their communities.
- RBC supports the post-secondary education of players from each of the regional leagues of Canada’s Junior A Hockey League (CJHL). Since 1996, we have awarded \$165,000 in scholarships to 110 CJHL hockey league players, including \$15,000 in 2006.
- RBC sponsors amateur hockey clubs around the world like the University of London Men’s Hockey Team and the Guildford Flames Ice Hockey Club in the United Kingdom.

#### Athletic events

In 2006, RBC sponsored a number of athletic events around the world including:

- The Bahamas National Swimming Championships, of which RBC has been a sponsor for the past 23 years;
- The 35th consecutive Swimathon in Jersey (Channel Islands). RBC is the headline sponsor and our Island employees take part.

#### Health and wellness

RBC supports research and programs that improve community services and enhance quality of life. In 2006, RBC became a member of the Global Business Coalition against AIDS, an alliance of over 200 international companies dedicated to combating AIDS. Local highlights from 2006 include:

- A three-year grant to the Centre for Activity and Aging for an exercise and education program for older adults, enabling them to continue to live independently;



Outside the workplace, RBC employees around the world participate in numerous community activities like the 2006 Juvenile Diabetes Research Foundation (JDRF) Ride for Diabetes Research.

- Support for the U.S.-based Bachmann-Strauss Dystonia & Parkinson Foundation, dedicated to encouraging new research and building awareness;
- Contributions to the Bahamas Cancer Caring Centre and the Heart Foundation of Barbados;
- Sponsorship and participation in Relay for Life, held in Jersey (Channel Islands) to raise funds for Cancer Research U.K. Local teams of families, friends and colleagues took part in a 24-hour relay. RBC has been the main sponsor of the event since 2002, and is committed until 2008.

Our employees volunteer their time to health care organizations and charities around the world, such as:

- Juvenile Diabetes Research Foundation’s Ride for Research, in which teams on stationary bicycles compete. In 2006, 3,197 RBC employees across Canada raised \$824,000. RBC also donated \$50,000.
- The 26th annual Terry Fox Run for Cancer Research. Hundreds of RBC employees, from London, Ontario to London, U.K. took part. RBC Royal Bank branches once again accepted pledge sheets from runners.
- Multiple Sclerosis Society’s walks and bike rides across Canada, in which hundreds of RBC employees and family members take part annually. RBC also hosted a golf tournament in Toronto for the MS Society, raising \$375,000 for the cause, bringing the total raised since 1995 to \$2.4 million.
- The first Jersey Marathon in 20 years, with over 80 RBC British Isles employees raising money for Headway, a brain injury charity.

For guidelines on applying for donations or submitting sponsorship proposals, please visit [rbc.com/community/donations](http://rbc.com/community/donations) or [rbc.com/sponsorship](http://rbc.com/sponsorship)

# Public Accountability Statement declaration and affiliates

The information documented in Royal Bank of Canada's Public Accountability Statement for the fiscal period ended October 31, 2006, includes the relevant activities related to Royal Bank of Canada, our prescribed affiliates and declarants, in accordance with Canadian federal regulations, pursuant to subsections 459.3 of the *Bank Act*, 489.1 of the *Insurance Companies Act* and 444.2 of the *Trust and Loan Companies Act*.

## AFFILIATES

The following are the prescribed affiliates whose activities are included in Royal Bank of Canada's Public Accountability Statement. These affiliates are subsidiaries of RBC and are financial institutions with less than \$1 billion in equity.

- RBC Direct Investing Inc.
- RBC Asset Management Inc.
- RBC Private Counsel Inc.
- RBC Dominion Securities Inc.
- Royal Trust Corporation of Canada
- The Royal Trust Company
- RBC Trustees International Limited
- RBC General Insurance Company
- RBC Travel Insurance Company

## Public Accountability Statements for RBC declarants

This section provides the Public Accountability Statements for the fiscal year ended October 31, 2006 for Royal Bank Mortgage Corporation and RBC Life Insurance Company (the "Declarants"), which are financial institutions with greater than \$1 billion in equity that are required under Section 444.2(1) of the *Trust and Loan Companies Act*, and under subsection 489.1(1) of the *Insurance Companies Act*, respectively, to file public accountability statements.

**Royal Bank Mortgage Corporation's (RBMC)** primary business activity is to acquire residential and commercial mortgages from Royal Bank of Canada. RBMC funds its business by issuing GICs and Royal Money Market savings and chequing accounts opened through Royal Bank of Canada branches. All mortgages are administered and guaranteed to be repurchased by Royal Bank of Canada. RBMC does not have any employees as all of its activities are conducted by employees of Royal Bank of Canada. RBMC expensed \$116 million of income taxes (\$81 million, federal; and \$35 million, Quebec) and \$14 million of capital taxes to Quebec, for the fiscal year ending October 31, 2006. Income and capital taxes, as well as other taxes, are also included in Royal Bank of Canada's Public Accountability Statement disclosure.

**RBC Life Insurance Company (RBC LIC)** is a wholly owned subsidiary of RBC Insurance Holdings, which in turn is a wholly owned subsidiary of Royal Bank of Canada. RBC LIC is a federally regulated life and health insurance company and is licensed to write life and accident and sickness insurance in all provinces and territories in Canada. RBC LIC offers non-participating individual life and accident and sickness insurance, as well as group life and health policies. These products and services are offered through third-party brokers, a career sales force and direct marketing efforts. RBC LIC employed 1,068 full-time staff (970 in Ontario, 40 in Quebec, 27 in Alberta, 27 in British Columbia, 2 in Nova Scotia, 1 in Manitoba and 1 in Saskatchewan) and 18 part-time employees in Ontario, as at October 31, 2006. RBC LIC expensed

\$43 million of income taxes, (\$27 million, federal; \$8 million, Ontario; \$2 million, Quebec; \$2 million, Alberta; \$2 million, British Columbia; \$1 million, Manitoba; and \$1 million to the other provinces and territories) for the fiscal year ending October 31, 2006. In addition, RBC LIC pays premium taxes to the provinces based on a percentage of gross premiums written. For the twelve months ending October 31, 2006 it expensed \$19.7 million of premium taxes. Income and other taxes, as well as employee numbers are also included in Royal Bank of Canada's Public Accountability Statement disclosure.

Due to the specific nature of the operations of the Declarants, they do not operate bank branches or other facilities at which deposit accounts are opened through natural persons and with customers in person, or at which deposits from customers are accepted or cash is distributed to customers. In addition, the Declarants do not provide debt financing to firms in Canada and are not involved in new initiatives and technical assistance programs for financing for small business, nor are they involved in investments or partnerships in micro-credit programs. The Declarants are also not involved in initiatives to improve access to financial services for low-income individuals, senior citizens and disabled persons. All of the foregoing activities are undertaken by Royal Bank of Canada on behalf of its affiliates and are outlined in the respective sections of Royal Bank of Canada's Public Accountability Statement. As at October 31, 2006 the Declarants did not have prescribed affiliates.

As integrated subsidiaries of Royal Bank of Canada, the Declarants share community development goals and participate in community-based activities, including volunteer, charitable and philanthropic activities, collectively with Royal Bank of Canada. For further details and examples of the Declarants' goals for community development, donations and related activities, please refer to the corresponding information contained in Royal Bank of Canada's Public Accountability Statement.

# Employment in Canada

RBC is one of the country's largest employers, with more than 54,000 employees across Canada. We also have a growing number of employees in the United States and in our international locations. In 2006, we employed 69,480 people in full- and part-time positions worldwide.

## EMPLOYMENT IN CANADA

As at October 31, 2006

Provinces and territories	Number of employees*	Full-time	Part-time
Newfoundland and Labrador	303	219	84
Prince Edward Island	94	63	31
Nova Scotia	1,295	915	380
New Brunswick	1,210	987	223
Quebec	7,392	5,483	1,909
Ontario	30,321	25,368	4,953
Manitoba	2,077	1,426	651
Saskatchewan	1,273	776	497
Alberta	4,107	2,902	1,205
British Columbia	6,582	4,469	2,113
Yukon, Northwest Territories and Nunavut	88	60	28
<b>Total (Canada)</b>	<b>54,742</b>	<b>42,668</b>	<b>12,074</b>

\* Total number of full- and part-time employees in Canada of 54,742 is equivalent to 46,661 full-time positions, as reported on page 15.

## Taxes

In 2006, RBC's tax expense to all levels of government in Canada was \$1.6 billion. This amount included \$972 million of income taxes, \$107 million in capital taxes and \$534 million in other taxes, which includes payroll, business, municipal, property and goods and sales taxes. In addition, RBC's tax expense included \$470 million related to the U.S. and other international jurisdictions.

## TAXES IN CANADA AND OTHER JURISDICTIONS

For the fiscal year ended October 31, 2006 (in \$ millions)

Taxes by jurisdiction	Capital taxes	Income taxes	Total taxes
Newfoundland and Labrador	\$ 1	\$ 2	\$ 3
Prince Edward Island	–	1	1
Nova Scotia	3	5	8
New Brunswick	1	4	5
Quebec	39	64	103
Ontario	39	228	267
Manitoba	6	6	12
Saskatchewan	6	6	12
Alberta	–	20	20
British Columbia	12	27	39
Yukon & Northwest Territories	–	–	–
Nunavut	–	–	–
Federal	–	609	609
Capital and income taxes (Canada)	\$ 107	\$ 972	\$ 1,079
Other taxes* (Canada)			534
<b>Canadian taxes</b>			<b>1,613</b>
<b>International taxes</b>			<b>470</b>
<b>Total taxes</b>			<b>\$ 2,083</b>

\* Other taxes includes payroll taxes, goods and sales taxes, and municipal property and business taxes.



# Debt financing for businesses in Canada

RBC is committed to helping small, commercial and corporate businesses in Canada prosper. Providing debt financing is one of the ways we help businesses in Canada to grow and succeed, whether they are starting, maintaining or expanding their operations. As at October 31, 2006, authorized amounts to businesses in Canada totalled \$120 billion, including approximately \$28 billion of authorized credit available to more than 220,000 small businesses, which represents more than half of our small business client base. Additional details regarding our commitment to small business are provided in this report and in our 2006 Annual Report.

The following table shows the number of business clients we lend to across Canada and the amount of credit made available to them.

## DEBT FINANCING FOR BUSINESSES IN CANADA

As at October 31, 2006 (\$ millions)

Provinces and territories	Metrics	\$0 – \$24,999	\$25,000 – \$99,999	\$100,000 – \$249,999	\$250,000 – \$499,999	\$500,000 – \$999,999	\$1,000,000 – \$4,999,999	*\$5,000,000 and greater	Grand total
Newfoundland and Labrador	Number of clients	1,041	622	193	85	56	64	34	2,095
	Authorized amount	\$ 9	\$ 31	\$ 29	\$ 31	\$ 40	\$ 140	\$ 971	\$ 1,251
Prince Edward Island	Number of clients	345	253	109	37	49	52	–*	845
	Authorized amount	\$ 3	\$ 13	\$ 16	\$ 13	\$ 36	\$ 102	\$ –	\$ 183
Nova Scotia	Number of clients	4,202	2,784	819	446	291	280	78	8,900
	Authorized amount	\$ 36	\$ 140	\$ 126	\$ 154	\$ 204	\$ 606	\$ 1,831	\$ 3,097
New Brunswick	Number of clients	2,211	1,500	474	232	137	165	46	4,765
	Authorized amount	\$ 19	\$ 74	\$ 71	\$ 81	\$ 95	\$ 353	\$ 740	\$ 1,433
Quebec	Number of clients	12,579	6,636	2,611	1,580	1,211	1,338	416	26,371
	Authorized amount	\$ 102	\$ 331	\$ 406	\$ 555	\$ 838	\$ 2,797	\$ 13,425	\$ 18,454
Ontario	Number of clients	53,882	28,180	9,735	4,535	3,396	3,312	948	103,988
	Authorized amount	\$ 365	\$ 1,413	\$ 1,480	\$ 1,586	\$ 2,365	\$ 6,710	\$ 40,506	\$ 54,425
Manitoba	Number of clients	4,858	2,724	1,086	441	275	280	94	9,758
	Authorized amount	\$ 32	\$ 140	\$ 165	\$ 154	\$ 195	\$ 604	\$ 2,065	\$ 3,355
Saskatchewan	Number of clients	5,454	3,787	1,716	708	349	267	55	12,336
	Authorized amount	\$ 40	\$ 200	\$ 266	\$ 247	\$ 238	\$ 490	\$ 1,381	\$ 2,862
Alberta	Number of clients	21,050	8,337	3,128	1,442	934	1,055	392	36,338
	Authorized amount	\$ 132	\$ 418	\$ 472	\$ 503	\$ 648	\$ 2,192	\$ 16,163	\$ 20,528
British Columbia	Number of clients	22,559	10,947	3,431	1,590	1,224	1,502	398	41,651
	Authorized amount	\$ 158	\$ 545	\$ 508	\$ 561	\$ 861	\$ 3,230	\$ 8,334	\$ 14,197
Yukon, Northwest Territories and Nunavut	Number of clients	543	196	74	40	32	37	–*	922
	Authorized amount	\$ 3	\$ 10	\$ 11	\$ 14	\$ 22	\$ 81	\$ –	\$ 141
<b>Total</b>	<b>Number of clients</b>	<b>128,724</b>	<b>65,966</b>	<b>23,376</b>	<b>11,136</b>	<b>7,954</b>	<b>8,352</b>	<b>2,461</b>	<b>247,969</b>
	<b>Authorized amount</b>	<b>\$ 899</b>	<b>\$ 3,315</b>	<b>\$ 3,550</b>	<b>\$ 3,899</b>	<b>\$ 5,542</b>	<b>\$ 17,305</b>	<b>\$ 85,416</b>	<b>\$ 119,926</b>

\* For reasons of confidentiality, clients in certain regions with authorized amounts of \$5 million or more have been combined with another region in close proximity for reporting purposes: Prince Edward Island has been combined with Newfoundland and Labrador. Yukon, Northwest Territories and Nunavut have been combined with British Columbia.

# Bank branch openings and closings in Canada

RBC's Client First focus has driven expansion and reinvestment in our Canadian branch network. In 2006, RBC opened 14 new bank branches across Canada and we plan to open as many as 40 more in 2007. Branch closings were limited to small in-store/sales office locations and the relocation and expansion of other units. We also opened seven standalone insurance sales outlets in 2006, with an additional 25 outlets planned over the next three years.

At our 2006 year end, we had 3,847 banking machines (ATMs) in Canada, compared to 3,906 ATMs in 2005. A list of RBC's banking machines that were installed and removed in 2006 is provided at [rbc.com/pas](http://rbc.com/pas).

RBC complies with federal legislation in our commitments to:

- Provide clients and communities with four months' advance notice of network reconfigurations/branch closures (six months' notice in the case of rural communities where there is no other financial institution within a 10 km radius); and
- Ensure community leaders and public officials are aware of our reconfiguration initiatives and have an understanding of service alternatives for the affected communities.

We are committed to working with each employee affected by a branch closure to help identify placement opportunities as well as training and development activities to enhance placement.

## CANADIAN BANK BRANCH/FACILITY OPENINGS AND CLOSURES

2006 fiscal year (ended October 31, 2006)

### Opened

	Street address	City	Prov
Vaudreuil-Dorion Branch	585 Saint-Charles Ave., Suite 30	Vaudreuil-Dorion	QC
University & College Branch	101 College St., Suite 130	Toronto	ON
Queen's Quay Branch	207 Queen's Quay W., Unit 120	Toronto	ON
King & Shaw Branch	1005 King St. W.	Toronto	ON
Winston Churchill & Argentinia Branch	2965 Argentinia Rd.	Mississauga	ON
Mavis & Matheson Branch	700 Matheson Blvd. W.	Mississauga	ON
Leslie & Major Mackenzie Branch	1450 Major Mackenzie Dr.	Richmond Hill	ON
Oak Ridges-Yonge & Sunset Branch	12935 Yonge St.	Richmond Hill	ON
Harmony Rd. & Taunton Rd. Branch	800 Taunton Rd. E.	Oshawa	ON
Thickson & Victoria Branch	1751 Victoria St. E.	Whitby	ON
Baldwin & Taunton Branch	40 Taunton Rd. E.	Whitby	ON
Stouffville Branch	28 Sandiford Dr., Units 1 & 2	Stouffville	ON
Alloy Drive Branch	1159 Alloy Dr., Suite 100	Thunder Bay	ON
Beacon Hill Centre Branch	11492 Sarcee Trail N.W.	Calgary	AB

### Closed

	Street address	City	Prov
111 St. Clair Avenue West Branch	111 St. Clair Ave. W.	Toronto	ON

### Relocated

	From	To	City	Prov
Lower Sackville Branch	619 Sackville Dr.	790 Sackville Dr.	Lower Sackville	NS
Tour Jean-Talon Branch	7141 St-Hubert	600 Jean-Talon E.	Montreal	QC
Cap Rouge Branch	1470 Esther-Blondin St.	839 Jean-Gauvin Rd.	Sainte-Foy	QC
Avenue Rd & Cranbrook Branch	1500 Avenue Rd.	1635 Avenue Rd.	Toronto	ON
Broadway & Yukon (Cambie) Branch	505 West Broadway	398 West Broadway*	Vancouver	BC

\* Temporary premises

# Vital statistics

## OUR VISION

Always earning the right to be our clients' first choice

## OUR VALUES

- Excellent service to clients and each other
- Working together to succeed
- Personal responsibility for high performance
- Diversity for growth and innovation
- Trust through integrity in everything we do

## OUR BUSINESS

- Royal Bank of Canada (RY on TSX and NYSE) and its subsidiaries operate under the master brand name of RBC.
- We are Canada's largest bank as measured by assets and market capitalization and one of North America's leading diversified financial services companies.
- We provide personal and commercial banking, wealth management services, insurance, corporate and investment banking and transaction processing services on a global basis.
- Our Global Technology and Operations and Global Functions teams enable business growth with insight, strong governance and state-of-the-art processes and technology.
- We employ approximately 70,000 full- and part-time employees who serve more than 14 million personal, business and public sector clients throughout offices in North America and 34 countries around the world.

## IN CANADA

- We have strong market positions in all of our businesses.
- In personal and business banking, we rank first or second in most retail products.
- In wealth management, we have the leading full-service brokerage operation, and we are the top mutual fund provider among Canadian banks and the second-largest self-directed broker based on assets under administration.
- We are the largest Canadian bank-owned insurer, one of the top 10 Canadian insurance producers, and a leader in creditor, individual disability and travel insurance.
- In corporate and investment banking, we continue to be the top-ranked securities underwriter and the leading mergers and acquisitions advisor.
- Our domestic delivery network is one of the most extensive of all Canadian financial service companies, with 1,117 branches and 3,847 banking machines, 493 investment retirement planners, 1,099 financial planners, 301 insurance advisors and 1,020 mortgage specialists.

## IN THE UNITED STATES

- We provide personal and commercial banking, insurance, full-service brokerage and corporate and investment banking services to approximately two million clients.

## INTERNATIONALLY

- We have a banking network in the Caribbean and a significant presence in select markets. We offer investment banking, trading, correspondent banking and reinsurance to corporate, institutional, public sector and business clients. We also offer private banking and wealth management services for high net worth individuals and corporate and institutional clients.

## OUR PEOPLE

- 69,480 people employed in full- and part-time positions.
- 60,858 full-time equivalent positions.
- \$7.3 billion paid in employee compensation and benefits.
- \$109 million invested in formal employee training.
- Approximately 80 per cent of eligible employees own our shares through employee savings and share ownership plans.

## OUR CLIENTS

- More than 14 million personal, business and public sector clients.
- More than 478,000 small business clients in Canada and the United States.

## OUR ECONOMIC IMPACT

- \$2.08 billion in taxes.
- \$3.9 billion spent on goods and services from suppliers of all sizes.

## OUR COMMUNITY INVESTMENTS

- More than \$83 million invested in community causes worldwide, through donations of more than \$42 million, and an additional \$41 million in sponsorship of community events and national organizations.
- RBC is a founding member of Imagine, an organization encouraging Canadian corporations to participate in charitable giving.
- Our employees devote tens of thousands of hours to charitable causes in their communities.

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