



“Every employee brings his or her unique talents, experiences and perspectives to the workplace. True diversity isn’t just a matter of having a strong representation of various groups, but of tapping into the full spectrum of ideas and abilities that people at RBC possess.” Gordon M. Nixon, President & CEO, RBC

I. GENERAL OVERVIEW

At RBC, diversity is a source of strength and has been one of our greatest competitive advantages in driving economic sustainability and innovation.

Royal Bank of Canada and its subsidiaries operate under the master brand of RBC and may be referred to in this report as RBC. RBC is Canada’s largest financial institution as measured by assets and market capitalization, and one of North America’s leading diversified financial services companies. “Diversity for Growth and Innovation” is one of RBC’s Values and part of our business strategy, and Employment Equity operates as one component of RBC’s diversity framework.

At RBC we understand the strength of diversity and its competitive advantage in driving economic sustainability and innovation. Diversity has enabled us to leverage diverse talents and create a workplace that offers all employees the opportunity to reach their full potential. Leveraging diversity has expanded opportunities in the communities we serve, and has sustained strong business relationships not only in North America but also around the world. To recognize that fact, in 2008 our RBC Diversity Leadership Council (DLC) endorsed the development of the Diversity Blueprint, a comprehensive statement of our global strategy, priorities and objectives to help guide our diversity-related actions for improvement in the future.

This report outlines RBC’s 2008 Employment Equity Program for its federally-regulated businesses and functions which include Canadian Banking, Global Technology and Operations, Finance, Risk Management, Human Resources and other functional units. During the 2008 reporting year, 127 new employees were added to our federally-regulated businesses; 30 were acquired from ABN Amro Bank’s Canadian Commercial Leasing Division and the remaining 97 were acquired from Bank of Montreal’s Currency Operations business. There were no divestures that impacted RBC federally-regulated businesses in Canada.

II. QUANTITATIVE INFORMATION

RBC has made significant progress in the representation of all designated groups – especially women and visible minorities, where our numbers exceed external workforce availability.

Between 2007 and 2008, the number of employees in RBC’s federally-regulated businesses increased from 43,259 to 45,020 – an increase of 1,716 or 4%. New employees, employment status changes and the transfer of employees from non-federally regulated businesses within RBC account for this increase.

Year-over-year comparison of employee data shows a small number of variances, the details of which are outlined in another document entitled “2008 Explanation of Year to Year Variances”.

The table below sets out employee representation by designated group over the past five years compared with data reported in our first Employment Equity report in 1987. We have made significant progress in representation of all designated group members. Workforce representation of women and visible minorities continues to exceed external workforce availability and representation for Aboriginal peoples and Persons with Disabilities has remained stable since 2007.



Our Employment Equity questionnaire response rate as of December 31, 2008 was 98%.

Permanent Workforce (Full-time and Part-time)	1987	2004	2005	2006	2007	2008
Women	77.0%	72.0%	71.0%	70.0%	69.0%	69.0%
Aboriginal Peoples	0.1%	1.6%	1.6%	1.6%	1.6%	1.6%
Persons with Disabilities	1.6 %	2.5%	3.1%	3.2%	3.9%	*3.8%
Visible Minorities	7.5 %	23.0%	23.0%	24.0%	26.0%	26.0%

*** 6% of RBC’s employees report that they consider themselves disabled, however, only 3.8% consider themselves disadvantaged in employment because of their disability.**

III. QUALITATIVE MEASURES

In 2008, we launched RBC Diversity Connections – a bi-monthly e-bulletin providing topical news and information to business leaders that supports our Value of “Diversity for Growth and Innovation”.

a) Communication Measures and Achievements

As a diversity leader, we are proactive in promoting and advancing our diversity and employment equity strategy internally and externally. Throughout 2008, a number of our senior leaders collaborated with other organizations to actively promote the value of diversity. These are some of our communication measures and accomplishments:

- Created and launched a bi-monthly *Diversity Connections* e-bulletin
 - This bulletin features factual information selected from a variety of sources relevant to *Diversity for Growth and Innovation*. The bulletins are shared with Diversity Leadership Councils, Leadership Committees, Employee Resource Groups, Human Resources, client segment managers and other key stakeholders.
- Provided Employment Equity and diversity awareness sessions
 - Our on-boarding program for new employees positions Diversity as a key driver for growth and innovation at RBC.
 - Approximately 80 managers and diversity champions participated in our *Creating an Inclusive Environment and Supporting People with Disabilities* interactive workshop. Learning from this workshop enables our managers to be more effective at providing solutions for employee accommodation needs.
- Engaged senior leadership in actively, visibly championing and demonstrating the value of diversity, internally and externally.
 - RBC’s Chief Human Resources Officer, Chief Operations Officer and Vice President for Personal Banking dialogued with other companies and community organizations about RBC’s commitment to foster and maintain an inclusive and equitable workplace.
 - RBC’s Vice President Global Technology and Operations, and voluntary Chairman of the Board for Canadian Council on Rehabilitation and Work (CCRW), was the keynote speaker at CCRW’s National conference. The conference focused on improving access to employment for Persons with Disabilities.

At RBC we find different ways to influence and create positive economic impact. In 2008, the RBC Foundation continued to leverage its outreach partnerships and tailored its donation programs as follows:



- *The Neil Squire-Society*: RBC Foundation donated \$45,000 to support its Employability Program. This program is run four times a year for 12 weeks and focuses on assisting physically-disabled adults to develop employable skills, education and confidence, leading them to long-term attachment in the workforce.
- *The Canadian Centre for Diversity*: RBC donations help develop practical tools, strategies and business practices in diversity training for small- and medium-sized businesses.
- *RBC Career Transition Program for students with disabilities at Wilfred Laurier University*: Unveiled in October 2007, this program aims to meet the career development needs of more than 750 students with disabilities by investigating career options and transition work. RBC Foundation donated over \$700,000 to this program.
- *Edmonton's Nor Quest College*: RBC funding will help create an intercultural communication centre to build awareness of intercultural solutions for employees, educators and the community.

The following measures also help to reinforce our Diversity and Employment measures:

- [RBC's annual Diversity Progress Report](#) highlights company-wide achievements and future diversity strategies and is available to all RBC employees and the public globally.
- [RBC's 2008 Corporate Responsibility Report](#) reinforces our commitment to diversity and looks at ways we continue to demonstrate our integrity in business practices and provide leadership in the workplace and the marketplace.
- [RBC's Destination Diversity](#) intranet site promotes our diversity objectives, programs and achievements. It also features and profiles special event days specific to designated groups such as Black History Month, Aboriginal Day, International Women's Day and Disability Awareness Month.
- A [multi-cultural calendar](#) distributed annually to our employees highlights significant dates for major religious and cultural festivals. It is available to employees globally through our intranet site.

b) Equity Environment

At RBC, we recognize the benefits of a diverse and inclusive workforce and the critical role it plays for our clients and communities. We strive to leverage the strengths, talents, similarities and differences of our workforce by eliminating barriers and developing all employees to their full potential.

Our Diversity and Employment Equity practices, processes and accountabilities continue to be an integral part of our business strategies and workforce planning processes. The RBC *Diversity Leadership Council* (DLC) chaired by our President and Chief Executive Officer with executive-level representation from our businesses globally sets diversity strategy and goals to ensure that the talent pipeline is filled with qualified candidates from diverse groups. DLC members meet quarterly and track our recruitment, promotion and termination activities to ensure that RBC makes progress in achieving diversity goals for women and visible minorities at the executive and pipeline levels.

Another example of a Diversity and Employment Equity accountability measure is our Employment Equity Human Resources Integrated Solution Strategy Team (EEHRIS). This team is comprised of managers representing all of RBC's federally-regulated businesses in Canada; the team is responsible for monitoring and implementing measures contained in our 2008/2010 Employment Equity Plan. This Plan is focused on staffing, retention, training and communication measures for Persons with Disabilities, Aboriginal peoples.

RBC believes that strong partnership with communities is imperative to strengthening our reputation as a leader in the marketplace. In recognition of its leadership role in diversity, RBC received the following awards and recognition from community partners in 2008:

- Named one of *Canada's Most Admired Corporate Cultures* by Waterstone Human Capital. RBC has been recognized every year since the study was first conducted in 2005.



- Ranked among *Canada's Top 100 Employers* by Mediacorp Inc., which recognizes organizations with innovative programs to attract and retain talented employees.
- Named one of *Canada's Best 50 Corporate Citizens*, which ranks organizations using a number of "citizenship indicators" including diversity.
- Recognized as a top *Canadian Human Capital Leader* in the Beacon Group's 2008 Human Capital Leaders Survey. RBC was cited for our unique corporate culture, sustained employee retention ability and outstanding reputation with both current and prospective employees.
- Recognized by *Career Bridge* for the second consecutive year. We won three awards recognizing RBC's exceptional efforts in creating valuable work experiences for Career Edge interns and the significant contribution made to the success of interns. We were also honoured with the most internships in our business category for both the Career Bridge and Ability Edge internship programs. Two RBC employees were also recognized, as Mentor of the Year and Intern of the Year.-
- Honoured with the *Innovator of the Year Award* from Business Takes Action for excellence in accommodation and accessibility. (<http://www.businessstakesaction.ca/download.php?file=fqzmzirn.pdf>)
- Recognized by the *Association of Progressive Muslims of Canada* for our "commitment and initiatives for developing and supporting diversity that is reflected in its workforce particularly in management".

Employment systems

As fierce competition for diverse talent continues, managing talent is a top priority to remain competitive and meet our recruitment and retention efforts. RBC consistently monitors its employment policies and practices to ensure they are barrier-free.

In 2008, we developed customized recruitment marketing channels and materials to ensure that we continue to attract qualified and diverse candidates. For example, we distributed over 700 marketing kits during the Aboriginal Festival in Toronto. We also hosted a virtual career fair, during which over 1,500 resumes were submitted. In addition, we also created specialized job aids for hiring managers and recruiters to enhance their knowledge and understanding of designated groups

Initiatives for designated groups

To be truly inclusive and reflective of the communities in which we live and work, throughout 2008 we have leveraged the strengths and talents of many organizations to partner and conduct research to support our strategic diversity vision. Some of these partnerships include: CareerEdge, Catalyst Canada, Ryerson University, and the Assembly of First Nations and the Toronto Region Immigrant Employment Council (TRIEC).

Initiatives for Persons with Disabilities

In 2008, we attracted a significant number of candidates with disabilities through our Pursue your Potential (PyP) diversity program. We hired over 365 employees with disabilities, however only 188 or 52% consider themselves disadvantaged in employment because of their disability. In addition, we hired 22 (67%) of our CareerEdge interns to full-time employment. Employees continue to leverage our employee resource group, REACH, an active networking medium where employees are able to share success stories to enhance their career development.

RBC also implemented the following initiatives to further enhance its ability to attract, retain and develop Persons with Disabilities:

- Over 80 managers and diversity champions in Service Delivery and Enterprise Operations participated in a *Creating an Inclusive Environment and Supporting People with Disabilities* workshop. The workshop



helped managers become more aware of potential workplace barriers and provided solutions to address accommodation needs.

- Throughout 2008, we implemented many of the recommendations from the 2007 RBC / Ryerson report, “Doing Disability at the Bank”. For example, we continue to deliver workshops to managers to help them become better aware of potential barriers to employment. Managers also had access to both in-house and external workplace accommodation experts to obtain solutions and advice on accommodation needs.

Initiatives for Women

RBC recognizes the value of increasing diversity at the top level of the organization. Currently, women make up about one third of RBC's executives and senior managers and we remain committed to advancing more women into senior management positions. Here are some highlights and accomplishments during 2008:

- Three of RBC's women executives were recognized for their caliber and professionalism by the *Women's Executive Network's Annual Top 100 Award*. Also, three of our women leaders were inducted into Canada's Most Powerful Women: Top 100 Hall of Fame.
- We continue to integrate development opportunities for women into our overall leadership programs. For example, we have a 50% participation goal for women in both our Diversity Dialogues reciprocal mentoring program and our Graduate Leadership Program, our flagship cross-company program for MBA graduates.
- We were also the national sponsor of the RBC Canadian Woman Entrepreneur of the Year Awards. These awards provide national recognition to Canada's women entrepreneurs whose successful business achievements contribute to both the Canadian and global economies as well as to their own communities.
- We hosted a special talent event, bringing together promising female MBA students and RBC female executives, to showcase the diversity of careers available at RBC. We hired 2 of the 65 attendees

Initiatives for Aboriginal Peoples

At RBC, long-term business relationships with Aboriginal peoples and communities continue to be building blocks for employment and career, training, education and community leadership. We also support initiatives that help build economic self-sufficiency and enhance labour force development for Aboriginal peoples.

Accomplishments for 2008 include the following highlights:

- We developed action plans to implement the 2007 joint Memorandum of Understanding (MOU) between RBC and the Assembly of First Nations. This MOU outlines RBC's commitment to initiatives that help build economic self-sufficiency for Aboriginal peoples. The action plan includes four major components: Access to Banking Services and Capital, Community and Social Development, Procurement, and Employment.
- In 2008 RBC collaborated with other financial institutions to launch the Financial Industry Partnering for Aboriginal Relationships (FIPAR) website (www.fipar.ca). The website provides a link to the RBC career site and also features all RBC Aboriginal programs such as the Aboriginal Stay in School Program, Aboriginal scholarships and recent news releases regarding RBC and the Aboriginal community.

All RBC Aboriginal employment and educational initiatives are incorporated into the Pursue your Potential diversity recruitment programs and include the following:

RBC Aboriginal Stay in School Program (ASIS)

- Forty-four secondary and post-secondary students participated in the ASIS program in the summer of 2008. Students from across Canada were placed in business units and experienced life in various occupations across RBC. The program also offers students summer employment opportunities at various RBC locations.



RBC Aboriginal Student Awards Program (ASAP)

- Eight post-secondary students were selected as winners. Five students are enrolled in disciplines related to the financial industry and are interested in pursuing a career in financial services. To date, RBC has awarded 77 scholarships totalling \$906,000 to Aboriginal students in Canada since 1992.

The *RBC Royal Eagles Employee Resource Group* continued to help raise awareness of Aboriginal culture, as well as promote and foster employee engagement. Membership includes approximately 200 employees across Canada. These individuals enhance the professional, cultural and spiritual lives of employees by presenting themselves as positive role models within and outside of RBC. Using their unique heritage and leveraging community knowledge, they also liaise with various Aboriginal communities in their respective province or territory to help build stronger communities.

Initiatives for Visible Minorities

RBC continued its community partnerships for visible minorities and newcomers to Canada, with an emphasis on research, employment, sponsorships and awards. In 2008, RBC teamed up with *Canadian Immigrant Magazine* to launch a national awards program celebrating the achievements of immigrants to Canada. Nominations are being accepted and winners will be recognized in an award ceremony in 2009.

Other highlights of 2008 include:

- RBC launched *MOSAIC*, an Employee Resource Group that provides mentoring and networking opportunities to newcomers to Canada and visible minorities at RBC.
- RBC was the only financial institution to participate in TRIEC's *The Power of Networking* event held in Toronto. Over 1,500 skilled immigrants attended.
- *Catalyst Canada and Ryerson University* released the fourth part of the RBC-sponsored study on career development and advancement of visible minorities in corporate Canada. This study focuses on workplace "fit" and stereotyping of visible minorities in corporate Canada, and highlights strategies to help employers more fully leverage the talents of visible minorities.
<http://www.catalyst.org/files/full/Career%20Advancement%20in%20Corporate%20Canada.%20A%20focus%20on%20visible%20minorities-%20Survey%20Findings.pdf>
- RBC hired 29 professionals through the *Career Bridge program for newcomers to Canada*, and placed 74% of these full-time jobs.
- As a founding member of TRIEC, RBC sponsored and hosted the third *Immigrant Success Awards* in 2008 to recognize employers and individuals who have demonstrated leadership by bridging skilled immigrants into the labour market. RBC also sponsored the *RBC Best Immigrant Employer Award*, as one of the Immigrant Success awards.

During 2008, we continued to market the *Canadian Immigration Integration Project* program to prospective immigrants abroad. The program continues to attract a pool of highly-skilled candidates.

Other initiatives for visible minorities include RBC's contribution to the *Black Business and Professionals Association*. RBC is the major sponsor of the Harry Jerome Scholarship Awards ceremony, and in 2008, RBC provided two scholarships for \$5,000 each to two young black students in Ontario. We also participated in Black History Month celebrations and events that were held in Toronto.

Training, Development and Mentorship

At RBC, continuous learning and development are key to employee engagement. We continue to offer competitive compensation to enable growth and foster employee engagement. We also support our employees with a wide array of learning opportunities to develop themselves for current and future roles. Learning is conducted through multiple channels such as electronic performance supports, job aides, mentoring and



personal networking opportunities. Courses include seminars, conferences, self-paced learning, leader-led learning, and e-Learning, as well as interactive and satellite TV. Here are some highlights for 2008:

- *Business Excellence through Diversity* workshops: Over 380 employees globally completed this program.
- *Building Cross-Cultural Competence*: We continue to deliver an interactive workshop to increase “cultural curiosity,” respect and understanding, and build skills in working with diverse teams and clients.
- *RBC’s Diversity Dialogues mentoring program*: Over 150 employees currently participate in this learning program which allows management and executives with different professional experiences and backgrounds to share and exchange insights regarding leadership, career development and diversity experiences.
- *Formal training*: We invested \$149 million in formal training and career development opportunities.

c) Tools and Resources to Advance Retention and Promotion

At RBC, career development and performance enablement continue to be significant areas of focus, and we regard professional development and rewarding career opportunities as key elements of RBC’s Total Rewards Program. In 2008, we continued to promote our Performance Enablement and Careers strategies to empower employees across the organization by:

- delivering a series of *Performance Enablement webcasts* to build awareness of key practices relating to performance and careers including setting goals, creating effective development plans and career management.
- promoting *Career Advisor* as an employee’s personalized online career resource. Employee use of the tool continues to grow. Since 2006 more than 17,000 employees have used the tool which helps identify work-related skills, values, strengths and interests, enabling better career focus and richer career conversations with their managers. We have invested over \$300 million in the Career Advisor tool.

d) Retention Efforts

RBC is committed to providing employees with the resources they need to be successful. We strive to make RBC a great place to work, where differences are respected and valued, so that everyone can achieve their full career potential in a high performance environment. RBC employees continue to participate in our wide array of work/life initiatives that includes flexible work hours or modified work schedules, work from home or at off-site locations, reduced hours through job sharing and purchased vacation. Our Employee Care program also provides confidential information on work/life issues including access to professional consultants, referrals and on line educational materials.

At RBC, our progressive policies, commitment to diversity and inclusion, and strong culture of employee engagement helps make us a top employer. We continue to experience high participation levels in our Employee Opinion Survey. Our 2008 survey results showed high levels of employee engagement, with more than 90% of our employees reporting that working at RBC has met or exceeded their expectations.

Employee Health and Wellness programs remain a high priority at RBC. Our *Living Well* internal website provides access to a number of tools and resources to support healthy living and help employees with stress management, nutrition and exercise. During 2008, we launched a pilot online wellness program, which allowed employees in Human Resources to share their knowledge and conduct lunch-and-learn sessions about healthy living. The aim of the pilot was to gather data and leverage results with other business units so that they could develop similar models to respond to their employees’ unique needs.

e) Reasonable Accommodation

We communicate our workplace accommodation policy and procedures to employees via the intranet. Managers also receive additional information through webcast training on providing accommodation and creating an inclusive work environment for Persons with Disabilities.



We continued our partnership with the Canadian Council on Rehabilitation and Work (CCRW) for job accommodation assessment services, and Manulife and Optimal Performance Consultants provide ergonomic assessments for our employees. We continue to support employees' need for accessible technology, including hardware/software tools and in-house scripting of software programs.

Our Workplace Accommodation Advisor has developed a knowledge repository of best practices in workplace accommodation that is leveraged by managers, recruiters and employees.

IV. CONSTRAINTS

RBC has collaborated with other financial services industry partners and the Canadian Bankers Association to lobby for accurate National Occupational Codes to reflect the changing nature of work in the financial services industry.

We continue to monitor and assess Employment Equity survey responses for Persons with Disabilities using the four-part question approved by the Canadian Human Rights Commission (CHRC) in 2002.

Currently, more than 2,600 RBC employees who report a disability indicate that they do **not** feel disadvantaged in employment because of their disability. If all employees who self-identified as having a disability were included, RBC workforce representation would be reflected at 6% rather than the reported 3.8%. We will continue to collect survey data using the four-part question to allow for meaningful dialogue regarding the definition of Persons with Disabilities when the Employment Equity Act is reviewed.

Since 2002, RBC has been working with the Canadian Bankers Association (CBA) to obtain accurate National Occupational Codes (NOC) that reflects the current nature of work within the industry. Currently there is no NOC to capture the large majority of financial services non-management employees who occupy sales positions, such as Client Service Representatives. Unfortunately RBC must continue to inaccurately assign these jobs to the Teller NOC code. This issue was addressed again in 2008 and the CBA submitted a new set of recommendations for inclusion of new NOC codes that reflect current roles in the financial services industry. Revision of NOC codes is not expected until 2011.

V. CONSULTATIONS AND COLLABORATION AT RBC

Throughout 2008, senior management continued to reinforce "Diversity for Growth and Innovation" in conjunction with Employment Equity compliance commitments.

The Employment Equity/Diversity Consultation Group (EEDCG) meets semi-annually to provide feedback on RBC's Employment Equity Plan and results achieved. Employee representatives are nominated by their peers and represent each of the designated groups within different geographies in Canada. Contact information for each employee is listed on our Destination Diversity intranet site.

RBC now has four Employee Resource Groups (ERGs) providing peer support, mentoring and networking opportunities to educate employees. These self-governing networks support RBC's diversity strategy and help to cultivate an inclusive work environment. Employee Resource Groups are managed by employees, with financial support from RBC. The groups are a positive way for employees to help build a culture where everyone feels included, which in turn benefits both our clients and employees. The RBC ERGs are:

- REACH, for Persons with Disabilities,
- Royal Eagle, for Aboriginals,



- PRIDE, for Lesbian, Gay, Bi-sexual and Transgendered employees, and
- MOSIAC representing visible minorities and newcomers to Canada.

VI. FUTURE STRATEGIES

RBC's two-year joint action plan with the Assembly of First Nations includes initiatives that support access to banking, community and social development, employment and procurement opportunities for Aboriginal peoples across Canada.

Representation of women and visible minorities at RBC continues to exceed labour market availability. Certain gaps exist for Persons with Disabilities and Aboriginal peoples and our 2008 - 2010 Employment Equity Plan includes measures to address these gaps and achieve workforce representation. Our Employment Equity Human Resources Integrated Solutions Team will continue to monitor activities in our plan to help achieve our representation goals for Persons with Disabilities and Aboriginal peoples.

The employment component of the RBC and Aboriginal First Nations MOU joint action plan will also help enhance our staffing efforts for Aboriginal peoples. Plans are also underway to expand the Royal Eagles Employee Resource Group at the national level. A formal launch is scheduled for June 2009 to coincide with celebrations for National Aboriginal Day.

Catalyst Canada will release its report of best practices in direct response to the four-part study on Career Advancement for visible minorities in corporate Canada in 2009.

The RBC *Diversity Blueprint*, our expanded global strategy, will be launched in 2009.