

2006 Diversity Progress Report

INTEGRITY

TEAMWORK

SERVICE

DIVERSITY

RESPONSIBILITY



From left to right: Christina To, Dr. Bob Snihura, Angela Giri, Sharon Henry and Timothy Hansford





Welcome to our 2006 Diversity Progress Report

As an RBC® core value, *diversity for growth and innovation* touches everything we do. Understanding and drawing on the strength of diversity is at the heart of meeting the needs of clients around the world, building strong relationships in the different communities we serve and engaging the many talents of our workforce.

As a source and driver of innovation, diversity is a “big idea” in business and society. How to generate and capitalize on innovative ideas, products and services is a subject of much interest and comment these days. At RBC we know the power of diversity is unleashed when we respect and value differences. We know our strength comes from the combination of what we have in common, like shared values and purpose, and what makes us different, like experiences and perspectives.

Working together, our employees, leaders and community partners bring together those similarities and differences to break new ground and deliver valued solutions and services to our clients and communities.

I am proud to share with you this report of our achievements and efforts in 2006. In the stories on the following pages, you will see our values at work in Canada, the United States and around the world.

In 2007 RBC will continue to build and draw on the strength of our diversity to meet new challenges and help enable prosperity for our clients, our communities and our employees.

Gordon M. Nixon
RBC President and Chief Executive Officer

2006 Diversity Highlights



RESEARCH STUDIES AND COUNCILS

- › RBC sponsored a multi-year study, through Catalyst Canada and Ryerson University, to examine barriers to career advancement for visible minorities. The study includes 18,000 participants from multiple industries, including 1,000 from RBC.
- › RBC 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.
- › We launched PRIDE, the national employee resource group for lesbian, gay, bisexual and transgendered employees in Canada. In 2007 we will launch a resource group for employees with disabilities.
- › In partnership with Ryerson University, RBC sponsored research into the ways that people with disabilities learn inside organizations. Results of the three year program will be released in mid-2007.
- › RBC Centura established the Diversity Leadership Council, chaired by the company's Chairman and CEO.

EDUCATION

- › We increased our Aboriginal Student Awards from five to eight, totalling \$128,000 in grants over four years. Since its inception in 1992, RBC has provided over \$650,000 in scholarships, helping 74 students to complete their post-secondary studies.
- › Cross-cultural competence training was delivered to over 200 managers across RBC.
- › Two hundred RBC employees around the world participated in our diversity training program, Business Excellence Through Diversity.

RECRUITMENT AND RETENTION

- › We continued our recruitment partnerships with the National Black MBA Association and the National Society of Hispanic MBAs in the U.S.
- › Seventy-five employees with disabilities and three Paralympians were hired, and eight interns were placed through Ability Edge Canada, a paid internship program for individuals with a disability.
- › Sixteen interns were placed through Career Bridge, an internship program for internationally trained professionals living in Canada.
- › We sponsored Mastering Aboriginal Inclusion, an initiative of the Aboriginal Human Resources Council of Canada that helps employers find ways to recruit and retain Aboriginal employees.
- › Diversity goals were integrated into our Graduate Leadership Program and two individuals were selected for six- to nine-month work rotations in Latin America.

COMMUNITY

- › RBC participated in the Regent Park Career and Information Fair in Toronto, providing an overview on careers in banking and coaching participants on resume development. Many residents of the Regent Park area are immigrants who have international training and work experience.
- › Over 400 clients and staff attended the RBC-sponsored Diwali celebration held in Surrey, B.C.
- › More than 1,500 employees attended the 7th annual Global Technology & Operations (GTO) cultural festival in Toronto.
- › RBC presented and hosted the first Toronto Region Immigrant Employment Council (TRIEC) Immigrant Success Awards.

Leadership

Success in our marketplace requires a workforce that can understand and meet the needs of an increasingly diverse customer base. RBC aims to foster a diverse and inclusive workplace. Our goal is not only to understand what makes us diverse as employees and as a company, but also to learn how to recognize, appreciate and make the most of our differences. We believe inclusion is a state of being valued, respected and supported as a result of an organizational culture that encourages the full engagement of its workforce.

RBC DIVERSITY COUNCIL CHAIRED BY PRESIDENT AND CEO, GORDON NIXON

Creating a diverse and inclusive work environment is a collaborative effort that engages employees from the CEO to senior leaders, managers and employees. Our various diversity leadership councils help promote diversity throughout the organization. The RBC Diversity Leadership Council was created to put RBC diversity champions in place in North America. Chaired by RBC President and CEO, Gordon Nixon, the council focuses on four key areas:

- › **Workforce diversity:** Increasing overall workforce and senior management representation
- › **Diverse client markets:** Better serving and growing our diverse client markets
- › **Organizational culture:** Valuing and leveraging diversity of thought and ideas
- › **Image and reputation:** Demonstrating leadership inside and outside RBC

BUSINESS UNIT DIVERSITY COUNCILS

RBC Dain Rauscher's Diversity Leadership Council sets diversity goals, develops strategies, establishes accountabilities and monitors progress. In 2006, the company's diversity strategy was focused on recruitment, retention, communication and awareness.

RBC Centura established the 10-person Diversity Leadership Council in 2006, chaired by Chairman and CEO, Scott Custer. The Council represents several different business divisions at RBC Centura. Its primary objectives are to create, implement and communicate a diversity strategy that supports the business, and to remove obstacles to executing it. "We will establish some key metrics this year that will enable us to monitor and

measure our progress toward our goals," said Dan Soto, Chief Compliance Officer and Diversity Leadership Council member.

Canadian Banking's Diversity Leadership Council was established in 2006. Co-chaired by Dave McKay, Executive Vice-President, Personal Banking, and Jennifer Tory, Regional President for the Greater Toronto Area, the committee works to integrate diversity and business objectives, and to influence and communicate progress in all regions. Both leaders, and in fact all members of the RBC Diversity Council, act as mentors as part of the Diversity Dialogues mentoring program. (See story on page 12)

"Diversity is one of our core values, and by promoting it, we will tap into a creative resource that will make us a better company. Innovative ideas come from bringing together different perspectives."

Scott Custer

RBC Centura Chairman and CEO and member of the RBC Diversity Leadership Council

"For a business to thrive in today's competitive, changing market, it must embrace diversity and have an inclusive culture. This starts with the senior leadership of the firm and must be advocated by managers and become part of the overall fabric of the organization."

Mary Zimmer

Executive Sponsor, RBC Dain Rauscher Diversity Leadership Council and Head, Primary Advisor Services, and member of the RBC Diversity Leadership Council

"I am very excited and proud of the leadership the managers in GTO have consistently demonstrated in integrating diversity into all of our recruitment and talent management practices. They are committed to working together with colleagues across RBC to identify, attract and retain diverse and talented people. That means we can create and deliver practical, unique and innovative solutions for our clients — and that's a real competitive advantage."

Dick Swadley

Executive Vice-President, Head, IT Infrastructure Global Technology & Operations, and member of the RBC Diversity Leadership Council

RBC diversity milestones

RBC has been a leader in diversity initiatives for decades. It began with a focus on women in the '70s, developed with formal Employment Equity definitions and goals in the '80s and continued in the '90s with a concrete strategy to enhance, support and recognize diversity in the workplace.

1970s

1970	Internal task force on the status of women
1976	First woman on the Board of Directors
1977	Appointment of Equal Employment Opportunity co-ordinator
1979	First woman executive

1980s

1987	First RBC Employment Equity survey conducted to assess our workforce representation of the four designated groups in Canada: Aboriginal people, women, people with disabilities and visible minorities
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1990s

1990	Valuing and managing diversity Market segmentation (cultures, women) Work/life initiatives
1994	Closing the Gender Gap initiative
1996	Leveraging Diversity strategy Diversity Business Council
1998	Employees with Disabilities Council

2000

2001	Evolution to RBC-wide strategy and goals RBC Diversity Leadership Council
2002	Expansion of diversity focus and initiatives to a North American scope
2004	Re-energized focus on women and visible minorities/people of colour in senior management
2005/06	Expansion of employee resource groups Delivery of cross-cultural training

Recognition and awards in 2006

- › The *Canadian Immigrant* magazine named RBC one of the 2006 top employers for workplace diversity in the category of banking and finance.
- › The Women's Executive Network named three RBC women — Elisabetta Bigsby, Group Head Human Resources, Janice Fukakusa, Chief Financial Officer, and Barbara Stymiest, Chief Operating Officer — in the 2006 Canada's Most Powerful Women: Top 100 List.

- › RBC Capital Markets® was awarded the Corporation of London award for employer newcomer of the year.
- › La Maison Internationale de la Rive-Sud in Quebec recognized our efforts in fostering diversity.
- › RBC won the Theo Award for championing employment for people with disabilities, as well as the Community Award from Champions Career Centre for our commitment to advancing opportunities for people with disabilities within Canada.
- › To celebrate 20 years of Employment Equity (EE) law in Canada and our contribution to promoting EE, Federal Minister of Labour, Jean-Pierre Blackburn, recognized RBC for our work with Centre de recherche-action sur les relations raciales.
- › Four financial counsellors at RBC Dain Rauscher were recognized in *Barron's* America's Top 100 Women Financial Advisers: Cinda Collins, Lauri Droster, Ann Marie Etergino and Linda Stirling.

MEASURING PROGRESS

This chart is an example of how we show our progress. We also benchmark ourselves against other organizations to highlight areas we need to focus on.

The RBC Employment Equity Narrative Report is posted on our public website at www.rbc.com/uniquecareers/diversity/ee_report.html. This report provides comprehensive information on our Employment Equity initiatives and results in Canada.

DIVERSITY IN RBC'S WORKPLACE IN CANADA**			
	1998	2002	2006
Women	75%	73%	70%
Women in senior management	23%	32%	37%
Visible minorities	12%	18%	24%
Visible minorities in senior management	5%	8%	10%
People with disabilities	2.9%	2.6%	3.2%
Aboriginal peoples	1.1%	1.2%	1.6%

** Figures represent Employment Equity data as of December 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 at www.rbc.com/uniquecareers/diversity/ee_report.html.



Promoting understanding through diversity research

One of the ways we promote diversity is by developing and sharing our knowledge of its impact on business, communities and the economy. Over the past few years, RBC has led a number of diversity research initiatives that draw attention to the importance of the issue.

GOOD FOR CANADA, GOOD FOR BUSINESS

RBC's report entitled *The Diversity Advantage: A Case for Canada's 21st Century Economy* was released in late 2005 and was well received for its role in quantifying today's all-important link between the practice of diversity in the corporate world and its economic advantage for Canada. Today, *The Diversity Advantage* continues to have an impact not just on the industry, but with government and non-government organizations as well. This report set the stage for further discussion in 2006 on how failure to realize the potential of immigrants and other minority groups, such as women and seniors, could pose significant costs to the Canadian economy. To view a copy, visit www.rbc.com/newsroom/pdf/20051020diversity.pdf.

A CATALYST FOR CHANGE

By 2016, visible minorities are expected to represent one in five people in Canada's available workforce. In major cities across the country, visible minorities will be roughly half of the labour force. To examine the career advancement of visible minorities in corporate Canada, a national survey entitled *Career Advancement in Corporate Canada: A Focus on Visible Minorities* was launched in October by Catalyst Canada and the Diversity Institute in Management and Technology at Ryerson University.

As the study's lead sponsor, RBC President and CEO, Gordon Nixon, called upon CEOs of Canada's top companies to participate in this pivotal initiative. According to Mr. Nixon, "Businesses have been dropping the ball when it comes to tapping the potential of visible minorities in our workforce. Diversity can be Canada's competitive advantage. So the challenge for each of us is to find out exactly what barriers are preventing visible minorities from advancing in their chosen careers, and then address them."

Climbing toward the summit

More and more, women are a driving force behind economic growth, not only in small business and in developed countries, but in every type of business around the globe.

In recognition of this fact, 15 banks from around the world met in Edinburgh and Glasgow, Scotland, last November in order to support women entrepreneurs worldwide. RBC was proud to take part in the 5th Global Alliance for Women Annual Summit, where participants exchanged best practices on supporting women entrepreneurs and examined ways to tap into this often-overlooked market.

RBC contributed to the mix of speakers from around the world. All presenters illustrated how today's businesswomen are rising to the challenges of the modern economic environment and achieving amazing levels of success. High-profile presenters such as Cherie Booth Blair QC and Secretary General of the Commonwealth, Don McKinnon, joined in the celebration of women's achievement.

RBC was represented by Kris Depencier, Head of RBC Small Business Client Strategy and 2006 Chair of the Global Banking Alliance for Women, a consortium of financial institutions recognized for having some of the best practices in serving the women's market.

Did you know?

- › In the United States, RBC is a member of the U.S. Conference Board Diversity Council and the Families and Work Institute in New York.
- › RBC funds and hosts the Canadian Women Entrepreneur Awards, which recognize businesswomen's contributions to the economy and the community. Since 1992, more than 82 women have received awards.
- › In 2006, RBC continued to be a market leader for women entrepreneurs in Canada, with a 21% market share.

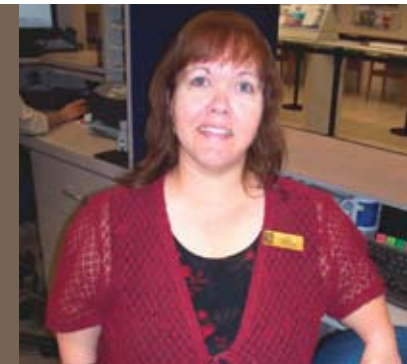


Women's Multicultural Town Hall

In 2006, Working Mother Media hosted a ground-breaking, one-day multicultural women's town hall in Toronto. Sponsored by RBC, Hewlett Packard and IBM, this forum was the first of its kind in Canada. Approximately 150 executives, business professionals and managers came together to discuss the importance of racial and ethnic identity in corporate culture. In June 2007, RBC will host the event in Toronto.

People

Making headlines, making a difference



CUSTOMER SERVICE, ACCOMMODATING EMPLOYEES, HELPING CLIENTS

In October 2006, Alberta Client Service Representative Kathy Baker was profiled in *Labour Market News*, where she discussed her experience working with RBC as a person of short stature or “little person.”

Kathy is on the board of EmployAbilities, a non-profit organization that supports employment opportunities for people with disabilities. She used its guidance counselling service to help her get back into the workforce after having her two children. She hadn’t considered the role of customer service representative because of her height. However, following a two-month RBC work experience program, Kathy joined RBC as an employee. With the help of several simple workplace accommodations, Kathy continues to enjoy a successful career at RBC.

“I hadn’t considered a teller’s job because I thought my height would be an issue. Now I have clients that wait in line so that I can serve them, and that’s very rewarding.”

Kathy Baker



MULTIPLE MEDALLIST VALUES TEAM BUILDING

RBC Branch Manager Michael Edgson was inducted into the Terry Fox Hall of Fame on November 13, 2006. Recognized for his distinguished career as a competitive swimmer, Michael has won multiple gold medals and established world records at a number of international competitions, including the World Paralympic Games. Michael, who has 20/200 vision, has also been named B.C. Disabled Athlete of the Year three times and was a finalist for the Canadian Athlete of the Year award in 1992.

Today, Michael manages two branches in Richmond, B.C. How does he bring his experience as an athlete and a team player to his role? “I coach people to build rapport and have great conversations with our clients, not sell products. That relationship is what’s really important.”

“When you train as a swimmer, you’re part of a team; and in business, you’re part of a team. You go through ups and downs together. Both are about winning when it counts, and also about building relationships.”

Michael Edgson



Photo credit: the Bulletin

FOSTERING COMMUNITY INVOLVEMENT

Recently profiled in *The Bulletin*, an online newsletter serving downtown Toronto, Chinyere Eni is an RBC branch manager who is making a difference in the community.

Born in London, Ontario, Chinyere is the daughter of a Nigerian Ibo father and a Saskatchewan Cree mother. After losing her leg to cancer at age eight, Chinyere's strong family values helped foster her positive attitude and drive, as well as her desire to be involved in the community. Originally recruited by RBC in Vancouver, she has gained experience in numerous roles, and now runs a busy branch in Toronto's Harbourfront area. Chinyere is a member of RBC's Aboriginal employee resource group, the Royal Eagles, and is also involved with the Harbourfront Community Centre's Mural Art Project and the Queen's Quay Business Improvement Association.

“Our focus as a branch is on developing the community relationship. We went and visited local business owners to discover ways that we could support them that would be mutually beneficial ... there's huge potential for involvement here and we're in for the long term.”

Chinyere Eni



RAISING A MULTICULTURAL FAMILY

In November 2006, RBC Dain Rauscher Investment Advisor Tom Griffin made the front page of his local Portland, Oregon newspaper. Tom and his wife, Tanya, who is an attorney with Intel, were profiled for their decision to adopt seven children and give a multiracial family a home. Now with children ranging in ages from three to 13, all from the same mother, they couldn't be happier. With the help of a nanny and a very large car, both parents and children are thriving.

“Some people who know our family situation and my age look at me as if I'm completely crazy. But life is very, very satisfying to me. I wouldn't have it any other way.”

Tom Griffin



PUTTING INTERNATIONAL SKILLS TO WORK

In Ontario, Canada's first provincial government internship program for internationally trained professionals is helping skilled immigrants find work in their fields. The Ontario Public Service internships are offered through ACCES, a Toronto-based organization that assists newcomers to Canada in their employment search. Each internship lasts six months, and so far, 72 internationally trained individuals have been placed, including seven at RBC. Among them is Pedro Molina, a senior account manager trainee in Toronto.

Originally from Ecuador, Pedro and his family came to Canada so that his sons could go to a Canadian university. Even though he had years of banking experience, finding work was a struggle, and it wasn't until Pedro was connected with RBC through the ACCES program that things turned around.

“The program helped me to find work in my field of expertise, to meet people related to my profession and to get hope back,” says Pedro. “This experience has changed my life and my family's life as well.”

Pedro Molina



Employee Resource Groups: Engagement at all levels

An employee resource group (ERG) is a self-governing network of employees that helps its members develop personally and professionally through peer mentoring, coaching and networking. ERGs play an important role in promoting diversity at RBC because they help foster an inclusive work environment and help others to better understand the needs of the constituent group.

Canada

ROYAL EAGLES

The 200-plus members of the Royal Eagles in Canada volunteer their time to raise awareness of Aboriginal culture within RBC. Volunteers also serve as liaisons with various Aboriginal communities in their home provinces and territories. The group helps build stronger communities and helps our Aboriginal employees to excel.

“To create an awareness of Aboriginal culture, keep our spirits strong, educating our brothers and sisters that live with a foot in both worlds...”

(Royal Eagles employee brochure)

PRIDE

PRIDE is an ERG that aims to contribute to a positive and sustainable work environment for all lesbian, gay, bisexual and transgender (LGBT) employees. Its goals are to promote an inclusive workplace, through education and understanding, and to enhance the engagement, retention and career development of those who identify themselves as part of this minority group. PRIDE members act as a ready resource for feedback on corporate policies and diversity programs, helping to ensure that RBC is seen as both an employer and financial services provider of choice for the LGBT community.

EMPLOYEES WITH DISABILITIES

This group will focus on employees' potential — their abilities versus their disabilities. Working with Human Resources, this new ERG will help to raise awareness and create opportunities so that all employees may reach their potential in an environment with as few barriers as possible.

United States

WOMEN'S ASSOCIATION OF FINANCIAL CONSULTANTS (WAFC)

All women brokers at RBC Dain Rauscher are automatically members of the Women's Association of Financial Consultants. WAFC is an organization that fosters the productivity and success of women financial consultants through a wide range of information, events and programs. The goals of the association are to recruit and retain women brokers, and to increase their productivity.

MINORITY EMPLOYEE ASSOCIATION (MEA)

Formed in 1994 to provide networking and advocacy for minority employees, MEA works to promote RBC Dain Rauscher's strategy, profitability and growth by supporting career development of minority employees, partnering with management on initiatives that affect minorities and playing an active role in the community — from outreach events to recruiting.

GAY, LESBIAN AND ALLIED DAIN EMPLOYEES (GLADE)

GLADE's goals include welcoming gay and lesbian employees, advancing RBC Dain Rauscher's strategy and business opportunities and supporting the gay and lesbian communities. Its members work with management to help recruit, retain and market to members of those communities, while increasing awareness within the company to help employees achieve their full potential.



Source: Implementing Diversity by Marilyn Loden, 1996, New York, Irwin Publishing. Material reproduced with permission of The McGraw-Hill Companies.

When we focus on diversity, we're focusing on more than the race, ethnicity, gender, age, physical or mental abilities, sexual orientation and origin of our workforce. We're overcoming barriers and learning how to appreciate and benefit from the diverse talents that each of us brings to the workplace and to our clients.

Did you know?

- › In 1902, RBC hired its first woman employee in Vancouver. Today, nearly one-third of RBC senior management positions are held by women and more than half of all RBC managers are women.



"Success on the diversity front goes beyond simply having a strong representation of women and visible minorities. True benefits are derived from fully leveraging the strengths, talents and differences of the workforce by eliminating barriers and developing people's potential in a fully inclusive environment."

Zabeen Hirji, Chief Human Resources Officer, RBC

Leveraging diversity drives growth and innovation (Canadian HR Reporter, December 18, 2006)

Diversity Dialogues: A new twist on mentoring

RBC Diversity Dialogues is a program based on the principles of reciprocal mentoring — a model that connects two people with different professional experiences and learning backgrounds, where both teach and learn from each other. Through open conversations partners have the chance to offer their unique perspective on how diversity manifests itself in the workplace and our communities and where there may be opportunities for change. The discussions give participants valuable insight and the Diversity Leadership Council gains a deeper understanding of the barriers faced and perceived by diverse clients and employees.

A DIFFERENT PERSPECTIVE

Janice Fukakusa, Chief Financial Officer, recently mentored Mihir Daté, Director, Performance Management, and Rebecca Lai, Senior Manager, Audit. Janice felt that the experience was very different from traditional mentoring, which tends to focus primarily on career counselling. Janice explains that her big “aha” moment came when she realized that the major difference in perspective was generational. “This generation is different from boomers in that they expect to have more of a balance between work and life, particularly family life,” says Janice.

LEARNING FROM LEADERS

Janice’s two partners took away valuable lessons in leadership. Mihir was pleased to learn that senior leaders at RBC were very approachable and shared similar values. He learned that it is critical to have patience when developing long-term career skills. Rebecca believes that the insights she gained from her sessions with Janice could have taken many years to discover by herself.



“I feel very privileged to have participated in this reciprocal mentoring arrangement, which is unique and innovative.”

Rebecca Lai, Senior Manager, Audit



“I have learned that to be an effective manager, you have to park your assumptions and see things from the individual’s point of view.”

Mihir Daté, Director
Performance Management



Welcoming newcomers to Canada: The value of a mentor

Richard Goyder, Managing Director, Strategy, acts as a mentor to newcomers to Canada through TRIEC (Toronto Region Immigrant Employment Council). RBC is a founding member of TRIEC, whose primary goal is to find local solutions for more effective integration of immigrants into the labour market. “I became a mentor as a way of paying back some of the help I received when I immigrated to Canada,” says Richard. “A mentor is a vital part of a new immigrant’s job search, providing contacts, resume tips, job leads and more general advice. I think Canadians often find it hard to imagine how valuable the most basic help can be when you are new to a country and looking for work that is appropriate for your skills and experience.”

“Diversity training supports our business objectives. If people have a better understanding of issues, we will have a better work environment. Ours is a people-driven business, so a diverse talent pool is important. And our client base is becoming more diverse, so we will relate better to our clients as well.”

Doug McGregor, Co-President, RBC Capital Markets, and member of the RBC Diversity Leadership Council



Intergenerational care: Pilot program

Today's top organizations know they need to help employees manage work, home and extended family responsibilities. RBC participated in a pilot program to provide an intergenerational care program. The first of its kind in Canada, the program provides a solution for employees looking for quality day care, as well as care for their aging parents. The program's pilot was launched in Calgary in early 2007.

Currently, service providers in Canada and the U.S. offer RBC employees emergency backup childcare. By providing access to professional, qualified caregivers, this service is proving to be an invaluable resource — more than 300 employees in greater Toronto, Calgary and Ottawa accessed the service in 2006.

Diversity learning: The sameness that binds

At a recent Caribbean banking conference in Miami, Rasheed Joseph-Young, Manager, Learning Solutions, delivered an engaging presentation on the theme of diversity at RBC. Through open discussion, role play, creative work, laughter and even the occasional lively debate, Rasheed conveyed the notion that there is no such thing as an “ideal” RBC employee. Rather, participants quickly realized that it was each person's differences that made them “ideal” and contributed to the success of RBC.

LEARNING ABOUT DIVERSITY

RBC recognizes that in order to be successful in our diversity efforts, we need to commit to ongoing learning. For employees, several different diversity training programs are available:

› Business Excellence Through Diversity

This half-day workshop helps participants understand and better deal with assumptions and stereotypes about others. Since the program began, more than 450 employees have completed this course.

› Building Cross-Cultural Competence

This is an interactive workshop or webcast that helps to increase “cultural curiosity,” respect and understanding and builds skills in working with diverse teams and clients. Over 300 employees participated over the year.

› Creating an Inclusive Environment for People with Disabilities

This workshop or online meeting is to help managers become more aware of potential barriers, accommodate and find resources for both clients and employees.

In addition to formal training, RBC also offers self-study materials available 24/7 through an internal Destination Diversity website. Resources include tips on managing diversity situations, a multicultural calendar, videos, presentations and the online Global Diversity Quiz. Each month, the site highlights different cultural themes and events such as Black History Month, International Women's Day and Universal Human Rights Month.

Did you know?

- › RBC employees in North America purchased a total of 5,903 days as part of RBC's Purchased Vacation Option in 2006.
- › Approximately 1,000 employees were in job-sharing arrangements in Canada.

Marketplace

Reinventing RBC for the new immigrant marketplace

In September 2006, RBC officially launched our integrated Welcome to Canada program, underscoring our commitment to be the financial institution of choice for newcomers to Canada. The month marked two firsts for RBC: the debut of our newcomer television commercial in five languages (Cantonese, English, Hindi, Mandarin and Punjabi), as well as an ethnic media briefing, during which we shared an inside look at future plans and campaigns for the newcomer community.

The briefing highlighted our long-standing commitment to welcoming newcomers and our intention to do more. Dave McKay, Executive Vice-President, Personal Banking, touched on the extensive research that RBC has undertaken and its contribution toward understanding the needs and priorities of newcomers.

That understanding has led to eliminating common obstacles that newcomers might face. For instance, we have made changes to credit policies, introduced a new secured *Visa** option and launched a new Welcome to Canada website (www.rbc.com/canada). Available in English, French and simplified Chinese, the site is specifically tailored to newcomers and helps them find the information they need earlier in the immigration process.

“Our goal is to help new Chinese immigrants easily set up their financial affairs before they arrive in Canada. By having local RBC employees available in Beijing, we are making one part of the immigration transition that much easier.”

Mark Whitmell, Director, Cultural Markets

RBC CULTURAL COMMITTEE

Within RBC’s Canadian Banking business, the Cultural Committee provides feedback on cultural marketing materials (e.g. print ads, articles and brochures). Made up of RBC employees from head office, regional centres and branches across Canada, the committee’s role is to help ensure that the materials are relevant, effective and accurate for the respective communities. Members also act as local champions for RBC cultural markets initiatives.

WE SPEAK YOUR LANGUAGE

A multilingual client base demands that we adjust the way we do business, providing clients with the products and services they need, in the language they feel most comfortable using.

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

Did you know?

- › In addition to branches in Beijing and Hong Kong, RBC has over 175 specialized Asian-focused branches across Canada.
- › In the 1990s, 73% of immigrants to Canada were visible minorities**.
- › The first-ever RBC television campaign geared to new immigrants highlights how RBC understands this major life event and will help newcomers on a path to financial success.
- › People from South Asia represent 23% of the visible minority population in Canada***. There are 104 RBC branches in Canada that can serve our South Asian clients in one or more of Bengali, Gujarati, Punjabi, Urdu or Hindi.

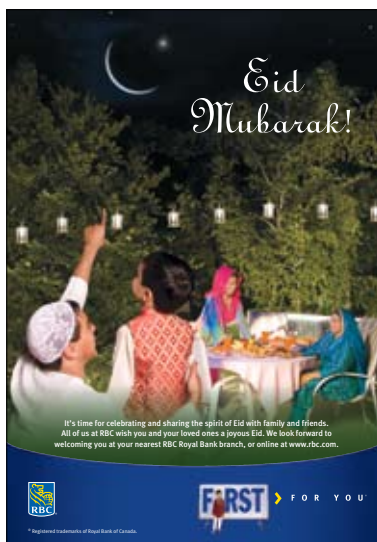
**Canada’s Ethnocultural Portrait: The Changing Mosaic. In 2001 Census: Analysis Series. Statistics Canada, January 2003.

***Statistics Canada, 2001 Census.

Cross-cultural marketing

Marketing has always been a significant way to reach out to our clients and prospective clients. Posters and other materials have been developed to recognize important cultural events and festivals during the year.

Print advertising



Television campaign



Branching out to newcomers

In 1954, RBC was the first North American bank to offer financial services in China. More than 50 years later, our representative office in China is now a branch. Located at 7 Financial Street, the branch is the first foreign bank to reside in the hub of Beijing's financial district. This prime location serves as a starting point for individuals immigrating to Canada.



Serving special needs

As a financial services market leader, RBC provides banking access to a host of previously under-served groups through customized products, services, channels and community-based programs. Groups served include people with disabilities and Aboriginal communities.

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. In fact, we worked with the Canadian Standards Association (CSA) to set the industry standard for barrier-free banking machines. We were the first bank worldwide to provide audio-enabled ATMs and now our prototype is being adopted as the de facto standard by both the CSA and other standards bodies around the world.

ABORIGINAL COMMUNITIES

In addition to seven Canadian branches located on reserves, we have 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. Agency locations are operated by community members, which contributes to the retention of wealth locally. A new location will open in B.C. in 2007.

DIVERSITY IN PURCHASING

As a major purchaser of goods and services, we have a significant economic impact in the markets where we do business. 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. In April 2006, RBC attended the Aboriginal and Minority Procurement Fair in Toronto, with RBC Executive Vice President Charlie Coffey presenting a keynote address.

Community

Helping newcomers land the right jobs

Newcomers to Canada face a number of employment challenges when they arrive. RBC supports programs to address this.

ACCESSING THE TALENTS OF NEWCOMERS

ACCES, www.accestrain.com, is a not-for-profit organization that helps new Canadians with international credentials to find suitable work in Canada in their field of expertise. For newcomers who are recruited, ACCES opens the door to exciting job opportunities with large Canadian organizations where there is potential for personal growth and professional advancement. For the organizations, it offers access to highly trained, international professionals who bring fresh ideas to organizational culture.

In partnership with ACCES, RBC recruited eight newcomers to Canada into permanent positions. One of these recruits, Pedro Molina, was mentioned in a recent speech by Ontario Premier Dalton McGuinty. Pedro is now training with RBC to be a senior account manager. Read his story on page 9.

Bridging the gap between international experience and Canadian employment

Career Bridge, www.careerbridge.ca, is an internship program designed to address the challenges many skilled immigrants face when they come to Canada with international experience. The program serves to eliminate significant employment barriers often faced by qualified, experienced professionals who are eager and ready to resume their careers in Canada — it's the all-important "bridge" between the international and national experience. Since 1996, employers have provided internships for 589 people, including 27 at RBC, 16 of which were placed in 2006.

Urban Financial Services Coalition (UFSC)

In 2006, RBC Dain Rauscher developed a key partnership with the UFSC, a non-profit organization of minority professionals in financial services and related fields. The partnership offers a unique opportunity to influence and support financial consultant recruiting strategies. In 2006, events were held in Dain complex/branch offices in Minneapolis, New York and Dallas.



Originally based in Toronto, the program has recently expanded to Vancouver. RBC is a founding sponsor of this program.

Financial consultant training

RBC Dain Rauscher supports the recruitment and retention of women financial consultants in partnership with the College of St. Catherine located in St. Paul, Minnesota. This community creates greater sustained recruiting opportunities through its business-to-business sales major — the only four-year degree program of its kind in Minnesota that is combined with a finance minor — by preparing young women for sales careers within the financial services industry.

Brokering aspirations, capitalizing on diversity

The Brokerage manages a business trainee program in the U.K. that specifically targets top-performing students from inner-London-borough schools. This charitable organization aims to help bright and talented students realize their career goals by giving them access to the many employment opportunities available in London. It also gives organizations like RBC access to a diverse talent pool of students from a variety of ethnic and national backgrounds. RBC Capital Markets recognizes that intellectual capital from diverse backgrounds is essential to the success of any international financial institution.

RBC PLACEMENTS

In July 2006, eight students from diverse backgrounds were given placements in a variety of roles within RBC Capital Markets, U.K. All of them were accepted into top universities. Two of the students have stayed on with us for six- to nine-month contracts, including Joanne Bradley, currently in Global Financial Institutions.

“Before I participated in The Brokerage, I couldn’t comprehend what I could bring to such a large company, nor [could I comprehend] how the skills I developed during my A-Levels would be applicable,” explains Joanne. “However, since taking part, I gained confidence, knowing that I had successfully completed many of the tasks thrown at me.”

TOP MARKS FOR RBC

For our 2005 participation, RBC Capital Markets was awarded the Corporation of London award for Employer Newcomer of the Year. This award is a tribute to both the hard-working trainees and the RBC employees who welcomed them, providing an informative, inclusive and enjoyable place to learn.



Gareth Hughes, RBC’s Head of Human Resources in the U.K., centre with four students from The Brokerage program.

RETURNING TO THE WORKFORCE

RBC is a supporter of the award-winning Minerva Helping Women Work program, offered through The Minerva Foundation of B.C. This unique initiative helps single mothers, women with disabilities, immigrants, Aboriginal and mature women who are returning to the workforce after time away. Since the launch of the pilot program in 2004, RBC has provided not just financial support but also local expertise. Human Resources Specialists Cindy Irwin Lunde, Kim Kavanagh, Andrea Lindsay, Shelley McIntosh, Carole Rogers and Patti Russell take time out of their busy schedules to act as mentors to professional women by sharing their personal stories as well as career experience. To date, 75% of the women who have completed this program have found work.

Information and resources

Diversity and inclusion

In broad terms, diversity is any dimension that can be used to differentiate groups and people from one another. Inclusion is a state of being valued, respected and supported. It is based on organizational culture, management practices and interpersonal relationships that support the full utilization of a workforce.

What can each one of us do to be more inclusive of one another where we work and live?

Understand and value diversity:

- › Recognize our own biases.
- › See differences in people as valuable assets.
- › Encourage open dialogue.

Demonstrate cultural sensitivity:

- › Know there is more than one right way to do things.
- › Be aware of cultural and other differences.
- › Act without bias.

Work for change:

- › Challenge the “way we’ve always done it.”
- › Speak up about inappropriate comments or behaviour.
- › Be an ally.

Excerpted from Diversity Behaviours.

Full text available at www.rbc.com.



More information

LEARN MORE ABOUT DIVERSITY AT RBC

Corporate Responsibility Report: www.rbc.com/community/rbc_community/community_reports/index.html

Newcomers to Canada: www.rbc.com/canada/index.html

Careers and diversity at RBC: www.rbc.com/uniquecareers//diversity/index.html

COMING IN 2007

- › RBC to host Global Diversity Summit with business representatives from Canada, the U.S. and Europe
- › Release of final report Career Advancement in Canada: A Focus on Visible Minorities, an RBC-sponsored Catalyst study, which began in 2006
- › Publication of results of an RBC-sponsored Ryerson University study on how people with disabilities learn within organizations



Our strength is in our diversity

Our commitment to diversity is a commitment to building upon our strengths — the diversity of our employees and our clients. It's about creating a business atmosphere in which differences mean possibilities.

Through our diversity initiatives, our organization is made stronger each and every day, as well as more competitive in an increasingly global marketplace.

That's why, at RBC®, different is good.

To find out more about diversity at RBC, please visit us online at www.rbc.com/uniquecareers/diversity/index.

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