RBC produced its first corporate responsibility report in 1985, followed by a ‘social’ report and a few annual ‘community’ reports in the late 90s. By 2003, we were producing fully-fledged annual corporate responsibility (CR) reports, as were most of our competitors and leaders in other industries.

In the last ten years, we have experimented with a range of formats, structures, sizes and media for reporting on our social and environmental impacts.

In 2013, we took a look at our suite of CR reporting tools with fresh eyes, and conducted a stakeholder review of the content and issues that we included (and should include) in our reporting. Some companies call this review a ‘materiality analysis.’

Based on this work, we developed a new reporting framework in 2014, and a set of guiding principles.

Guiding principles

- We believe that companies should proactively report on their social, environmental and economic impact, and their data should be complete and accurate.

- We believe that companies should report on the topics that are most relevant to their key stakeholders.

- We believe that our stakeholders deserve to have access to information in a timely fashion, in the format that best suits their needs.

- We believe that we should do our very best to respond to questions and feedback from our stakeholders.

Reporting framework

- We produce a targeted annual CR Report, providing context and performance on a handful of key issues that are relevant to our business identified through a ‘materiality analysis’ conducted in 2013. This is available on [http://www.rbc.com/community-sustainability/reporting-performance.html](http://www.rbc.com/community-sustainability/reporting-performance.html)

- We produce a set of Corporate Responsibility backgrounders, such as this one, providing a deep level of detail about the standing policies, procedures and programs within categories upon which we have been reporting since 2005 (integrity/business ethics, economic and environmental impact, and practices in the marketplace, workplace and community.)

- We produce global Corporate Responsibility Highlights, a consumer-friendly brochure containing key performance indicators about our annual social, economic and environmental impact.

- We produce a standalone Public Accountability Statement, filed in print with the Financial Consumer Agency of Canada in March each year, and made available online to our customers and the public at rbc.com/pas. This is a regulatory requirement for financial services companies in Canada.

- We provide an online index of all content related to corporate responsibility at RBC, so users can easily locate the specific information they need, irrespective of where the information was published. This index is cross-referenced to GRI. We continue to respond to information requests from the responsible investment community on a case-by-case basis.
Oversight

The Governance Committee of the Board of Directors has explicit responsibility for overseeing RBC’s corporate responsibility strategy and reporting. In addition we have a management oversight committee, comprising experts from Finance/External Reporting, Legal and Investor Relations, to review and approve content for corporate responsibility disclosure, including the development of Key Performance Indicators and an improved process for approvals. This committee also reviews and approves our recommended, tiered approach for responding to analyst requests.

Requests from socially responsible investment researchers and analysts

We regularly receive requests from research companies for information about our social, environmental and governance programs and performance. Each year, we assess which of these organizations provide the most value for our key investors and other interested stakeholders, and we focus our energy on responding to requests from them. This typically includes three companies per year, including one international and one Canadian. We ask other researchers to refer to our publicly available information to inform their assessments of RBC.

Global standards and trends

The Global Reporting Initiative

Like many reporting companies, we are closely following the work of the Global Reporting Initiative and track the expectation of our stakeholders regarding this organization’s newest set of sustainability reporting guidelines (G4), as well as the usefulness and usability of the guidelines and protocols. We fully support the GRI’s goal of simplifying CR reporting and ensuring comparability between companies and across sectors. It is too early to tell whether a critical mass of companies will take up GRI’s new approach. Until they do, it will continue to be difficult for stakeholders and analysts to compare one company’s impact on society and the environment against another’s.

In past years, we have provided a GRI Index as a handy reference to our disclosure.

Verification

We are fully committed to providing complete and accurate data on our key performance indicators. In 2013, we did an extensive internal analysis of our data collection processes, identifying areas for improvement. We continue to refine our data collection, review and assurance processes.

CR Backgrounders

All available at rbc.com/community-sustainability/reporting-performance.html
In 2013, RBC commissioned Stratos, a Canadian consultancy with globally-recognized expertise in sustainability reporting, to do what is sometimes called a “materiality analysis” of our 2012 Corporate Responsibility Report. We asked Stratos to identify the social, environmental and governance issues that are most relevant to our business operations and to look at last year’s report and tell us whether we are reporting on the issues that matter most to our most important readers.

1. Our priority issues

Stratos used a structured process to identify RBC’s priority sustainability issues, and ranked the issues reflecting both potential business impact and the degree of interest to key stakeholders.

First, Stratos identified RBC’s sustainability issues through interviews, document review and their knowledge of the sector. They then categorized and grouped the issues, and ranked the business impact of each of the issues based on a number of pre-determined business impact criteria that align with RBC’s risk management processes and resonate with our businesses.

The output of this phase of work is seen on the horizontal axis of the materiality matrix, shown below.