

# Corporate Responsibility 101

An introduction to Corporate Responsibility and Sustainability at RBC®.



As one of the world's most highly rated financial institutions, RBC is committed to delivering profitable long-term growth to our shareholders. We are also recognized as one of the world's most sustainable companies. In fact, we've been in business since 1864, so we fully understand what it takes to create value over the long term.

## What's in a word?

For years, there has been a lot of debate over the meaning of the term “corporate responsibility.” Some people use the term to mean a charitable donations program, while others use it to mean employee volunteerism or community relations. And things get even more complicated with the use of terms like “corporate social responsibility,” “corporate accountability,” “sustainability,” “the triple bottom line,” “corporate citizenship” and “shared value.”

We believe that words matter, and that each of the terms listed here has a meaning distinctly different from the others. At RBC, we think of corporate responsibility, or citizenship, as an approach to business in which we work to make a positive impact on society, the environment and the economy.

We think corporate responsibility means conducting ourselves with integrity, and it encompasses all the good business practices of good sustainable companies. Corporate responsibility is about our behaviour and our actions.

It's not about a single program, managed by a single department. It's about good governance. It's about solid risk management, a good return to investors, strong consumer protection, active community relations, leading-edge human resource practices and employee relations. It's also about responsible supply chain management, paying a fair share of taxes and obeying the law.





## Frequently asked questions

### Who or which department is responsible for corporate responsibility at RBC?

At RBC, our whole company, every employee, is responsible for behaving responsibly.

You could say that at RBC, corporate responsibility is “functionally decentralized” because it is integrated right into our businesses.

At the Board level, a number of committees share responsibility for the integrity of our conduct as well as our programs and performance in the workplace, marketplace, community and environment. The Governance Committee of the Board of Directors has oversight for our corporate responsibility strategy and reporting.

That said, some of our stakeholders, such as the responsible-investment community, are interested in a high-level, holistic picture of how all the elements of corporate responsibility fit together at RBC. That responsibility

falls to our Corporate Citizenship team, a department that includes Corporate Responsibility, Corporate Sustainability and Donations.

### How do I get a job in corporate responsibility at RBC?

Most often, when people ask about jobs in corporate responsibility, they are looking for work in community relations, donations or environmental sustainability. We always advise potential job seekers that a job in “corporate responsibility” at RBC may not always bear that title.

Remember, we consider corporate responsibility to be about conducting ourselves with integrity every day. We don't have just one department dedicated to the company's behaviour — we have a wide range of departments that are, including Corporate Citizenship (comprising Donations, Corporate Sustainability/Environment and Corporate Responsibility Strategy & Reporting), Human Resources,

Procurement, Risk Management, Community and Brand Sponsorships, Real Estate Operations, Government and Regulatory Affairs, Finance, Compliance and Corporate Communications.

We encourage job seekers to be specific when inquiring about the actual discipline or area that interests them.

Wherever possible, we try to hire from within the company and promote our own employees so they can continue to learn, grow and fulfil their potential. However, if there are no qualified internal candidates, we will post a job listing on [rbc.com](http://rbc.com) (and sometimes third-party websites) advertising the discipline and the area of expertise we're looking for.

You can read more about careers in corporate responsibility in this article from [Ethical Corporation](#)

Applicants interested in employment at RBC should apply at [rbc.com/uniquecareers](http://rbc.com/uniquecareers).

### Okay then, how do I get a job in donations?

RBC employs a small team of full-time professional grant-makers at our global headquarters in Toronto. People in these roles have similar expertise and experience as bank managers who provide loans. Both roles require business acumen, critical analysis skills, diplomacy and strong interpersonal skills. We also have grant-making professionals in regional head offices in Canada, as well as in some of our international offices. They are responsible for donations as well as local marketing sponsorships, employee, media and corporate communications. When vacancies arise in these areas, we try to hire from within RBC first. If no suitable internal candidate is available, we post the job on [rbc.com](http://rbc.com).

### What is RBC's corporate responsibility budget? How do you measure ROI for your CR program?

These are questions we get all the time. They sound easy, and people expect a quick sound bite for an answer. But we can't give a quick answer. Part of the reason is because we don't treat corporate responsibility as if it's a single program or the responsibility of a single department.

For us, corporate responsibility means conducting ourselves with integrity — and you can't put a price tag on that.

However, if you're asking about our donations and community sponsorship budgets, check out our [Corporate Responsibility brochure](#). That's where we disclose our global donations and sponsorship investments. That's also where we disclose the taxes and salaries we pay every year, the amount we spend on suppliers large and small worldwide and the amount we invest in employee training and development. We consider these to be important corporate responsibility investments.

### Where do donations and community relations fit in?

Supporting the community is a very important element of our overall approach to corporate responsibility. As a global company with more than 78,000 employees and millions of clients in about 40 countries, RBC is expected to provide a broad base of support to a wide range of causes and to support the volunteer efforts of our employees — which we do proudly.

As one of Canada's largest corporate donors, with a tradition of philanthropy that dates back to 1891, RBC supports a broad base of arts, athletics, health and wellness, education and social and civic causes. We also provide deep, significant support for key issues that are strategically important to our clients and businesses through donations and sponsorships. Read more about

our community involvement at [rbc.com/community-sustainability](http://rbc.com/community-sustainability).

### Does RBC provide microcredit?

Microcredit or "microfinance" is sometimes considered an effective approach to alleviating poverty in developing nations. Microcredit consists of small loans, usually of less than \$200, that are provided by organizations or financial institutions to individuals, primarily women, so they can establish or expand small, self-sustaining businesses.

These small loans are sometimes facilitated through a financial institution's retail delivery channel located on the ground in a specific country or low-income region. While most microcredit programs are found in developing nations, pockets of them are starting to appear in some developed nations as well.

We are often asked if RBC is involved in microcredit. We are not. Outside Canada, the United States and the Caribbean, we are not in the retail banking business and, thus, do not have a channel we can use to provide microcredit in developing nations.

However, we do serve low-income clients in Canada and the U.S. and provide credit and financing expertise to small businesses in Canada and the Caribbean. We also support charitable programs that provide small loans to individuals to pursue education or business opportunities in the Caribbean.



And in 2012, we launched the RBC Generator™, a \$10 million pool of capital to help finance organizations and initiatives that provide social and environmental benefits along with financial returns.

### What is RBC's approach to sustainability reporting?

For more than 500 years, the traditional method of reporting financial results has been the “single bottom line” approach, which takes into account a company's assets and liabilities, with the shareholder as the main focus.

But since the 1990s, there has been an emerging belief that there are hidden liabilities and assets on a company's balance sheet. Or, to put it another way, shareholders are recognizing that there is more to a company than meets the eye in its quarterly financials. An increasing number of investors now believe companies that show superior management of sustainability factors (including management of social, environmental and governance issues) are gaining an edge over their competitors.

As a result, investors, analysts and clients are asking companies like RBC to report on their environmental and social performance. In fact, hardly a week goes by without someone — researchers, investment analysts, advocacy groups and clients — contacting us for information about our policies, products, services and programs in areas that fall under the corporate responsibility umbrella. But unlike financial reporting, there is still debate among various stakeholders about which performance indicators are the most relevant and which

format is the most useful when it comes to sustainability (or corporate responsibility) reporting.

RBC has adopted a multi-pronged approach to sustainability reporting. Our goal is to provide an appropriate level of detail on issues that are relevant to each stakeholder in the format that is most appropriate to them. Visit [About Corporate Responsibility Reporting at RBC](#) for more information on our current approach.

### How do you choose what to report?

It's not always easy to determine what information we should measure, track and report. Topics that are important to one stakeholder may be irrelevant to another, and there are resource implications to tracking and measuring every indicator.

In determining what to report, we pay attention to a number of stakeholders, guidelines, frameworks and best practices, such as the Global Reporting Initiative, and regularly consult with experts to help us understand emerging trends.

### Does RBC produce a corporate responsibility report?

Yes, we have produced a CR report since 1999, and our most recent edition can be found on [rbc.com/pas](#). In addition, we strive to provide an appropriate level of disclosure for all our key stakeholders through:

- Our [Corporate Responsibility website](#), with detailed information about our sustainability programs and performance.
- Our [Public Accountability Statement](#), available online to our customers and the public. This is a

regulatory requirement for financial services companies in Canada.

- Our global [Corporate Responsibility Highlights brochure](#), a short summary of our commitments available in branches and online.
- Our [Corporate Responsibility backgrounders](#), which provide a deep level of detail about the standing policies, procedures and programs in areas we've been reporting on since 2005 (integrity/business ethics, economic and environmental impact, and practices in the marketplace, workplace and community).

### What SRI indices is RBC listed on?

RBC continues to be rated well by research companies and listed on indices for socially responsible investors (SRIs). For a full list of these, visit [rbc.com/community-sustainability/our-approach.html](#) and click on “Recognition.”

### What awards has RBC won for corporate responsibility?

For a full list of awards we have won and current indices that RBC is listed on, please visit [rbc.com/community-sustainability](#) and look under “Our Approach.”

### Does RBC advertise about or promote its corporate responsibility?

We prefer to let our actions speak for us and tend not to pursue advertising or marketing opportunities to promote our overall approach to corporate responsibility. However, we do actively promote a limited number of key community programs, such as our support for water and youth.

For more information, visit [rbc.com/community-sustainability](#).  
Questions can be directed to [corporateresponsibility@rbc.com](mailto:corporateresponsibility@rbc.com).

