

Charters of committees of Board of Directors of Royal Bank of Canada

Excerpted from ROYAL BANK OF CANADA ADMINISTRATIVE RESOLUTIONS ADOPTED BY THE BOARD OF DIRECTORS OF ROYAL BANK OF CANADA (hereinafter referred to as the "Bank")

(as at November 30, 2007)

2.4 Human Resources Committee

2.4.1 Establishment of Committee and Procedures

a) Establishment of Committee

A committee of the directors to be known as the "Human Resources Committee" (hereinafter referred to as the "Committee") is hereby established.

b) Composition of Committee

The Committee shall be composed of not less than five directors. None of the members of the Committee shall be an officer or employee of the Bank or of an affiliate of the Bank. All of the members of the Committee shall be "unaffiliated", as defined in regulations made under the *Bank Act*. All of the members of the Committee shall be independent, as determined by director independence standards adopted by the Board.

c) Appointment of Committee Members

The members of the Committee shall be appointed or reappointed at the annual organizational meeting of the directors and in the normal course will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

d) Committee Chairman and Secretary

The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual organizational meeting of the directors a Chairman from among their number. The Chairman shall not be a former officer of the Bank or of an affiliate and shall normally be reappointed as Chairman for a minimum of three years. The Committee shall also appoint a Secretary who need not be a director.

e) Time and Place of Meeting

The time and place of and the procedure at meetings of the Committee shall be determined from time to time by the members, provided that:

- i) a quorum for meetings shall be three members, a majority of whom must be "resident Canadians" except as otherwise provided by the *Bank Act*;
- ii) the Committee shall meet at least semi-annually;
- iii) notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email or other electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting, provided that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; and
- iv) a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

f) Reporting to the Board of Directors

The Committee shall as required during the year, at the discretion of the Chairman of the Committee, make a report to the Board of Directors with respect to its activities during the year with such recommendations as are deemed desirable in the circumstances.

g) Evaluation of Effectiveness and Review of Mandate

The Committee shall annually review and assess the adequacy of its mandate and evaluate its effectiveness in fulfilling its mandate.

2.4.2 General Scope of Responsibilities and Purpose of the Committee

The Committee's purpose is to advise the board with respect to:

- a) compensation policies, programs and plans;
- b) human resources policies and practices to attain the strategic goals of the Bank;
- c) compensation of the Chief Executive Officer;
- d) management succession plans for executive officers; and
- e) the Bank's pension plans and the pension plans of participating subsidiaries.

In fulfilling its responsibilities, the Committee shall have unrestricted access to management and employees of the Bank.

2.4.3 Specific Responsibilities

a) Human Resources

The Committee shall:

- i) review at regular intervals the management succession plans for the executive officers of the Bank and its business groups;
- ii) review the major compensation policies of the Bank; and review the Bank's major compensation programs against its business objectives, its operations and the risks to which it is exposed;
- iii) approve an annual report on executive compensation for inclusion in the management proxy circular;
- iv) recommend to the Board incentive compensation plans and equity-based compensation plans;
- v) review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate on an annual basis the Chief Executive Officer's performance in light of those goals and objectives and review and recommend to the Board the Chief Executive Officer's compensation in light of this evaluation;
- vi) recommend to the Board the compensation of the members of the Group Executive.
- vii) have sole authority to retain and terminate any independent advisor that the Committee deems necessary, including any compensation consultant to assist in the evaluation of the Chief Executive Officer's or senior executive compensation, including authority to approve the firm's fees and other retention terms;
- viii) annually evaluate and recommend to the Board the compensation of the non-executive Chairman of the Board; and
- ix) annually review and approve the Code of Conduct for directors and employees of the Bank.

b) Pensions

The Committee shall:

- i) review and recommend to the Board pension plan funding and design changes;
- ii) approve the asset investment strategy for the Bank's pension plan; and
- iii) in respect of pension plans sponsored by the Bank and certain of its subsidiaries (the "pension plans") review reports on an annual basis focusing on the performance, funded status, and other relevant issues relating to the pension plans.