

## **ROYAL BANK OF CANADA**

### Minutes of the 147th Annual and Special Meeting of Common Shareholders

Montreal, April 6, 2016

The 147th Annual and Special Meeting of Common Shareholders of Royal Bank of Canada was held in the Mount Royal Centre in Montreal, Quebec on Wednesday, April 6, 2016, at 9:30 a.m. (Eastern Time).

#### **Quorum**

The Chair declared that as a quorum was present, the meeting was properly convened.

#### **Appointment of Secretary and Scrutineers**

In accordance with the By-laws of the Bank and as designated by the directors, Kathleen P. Taylor, Chair of the Board, acted as Chair of the meeting and Karen E. McCarthy, Vice-President, Associate General Counsel and Secretary, acted as Secretary of the meeting.

The Chair called the meeting to order and, as authorized by the By-laws, appointed Joseph Chirico and Pina Pacifico, representatives of Computershare Trust Company of Canada, to act as scrutineers.

The Chair noted that a member of the Board of Directors, Victor L. Young, would not be standing for re-election and would be retiring from the board. The Chair thanked Mr. Young for his contributions and dedicated service to the Bank.

#### **President and Chief Executive Officer's Report**

David I. McKay, President and Chief Executive Officer of the Bank, then addressed the meeting.

(The Secretary has retained with the records of the Bank a copy of the President and Chief Executive Officer's report to shareholders.)

#### **Business of the Meeting**

##### **Auditor's Report, Annual Financial Statements and Management Proxy Circular**

The Chair introduced Richard Nunn and Frank Vetesse of Deloitte LLP, the Bank's auditor for the 2015 fiscal year. The Chair then noted that the shareholders had received the auditor's report and the financial statements.

The Chair called for questions from shareholders on the financial statements. As there were no questions, the Chair then indicated that shareholders had received the Notice of Meeting and the Management Proxy Circular.

(The Secretary has retained with the records of the Bank a copy of the 2015 Annual Report, which includes Management's Discussion and Analysis and a copy of the Notice of Meeting and Management Proxy Circular.)

The Secretary then reviewed the voting procedures, stating that only registered shareholders or their proxyholders were entitled to propose, second, or vote on motions at the meeting and that a simple majority of the votes cast on each matter would constitute approval of the matter, except for the special resolution to confirm amendments to By-law Two, which must be approved by two-thirds of shares represented at the meeting.

### Election of Directors

The Chair proceeded with the election of directors, indicating that the number of directors to be elected had been fixed by the board at 14 and noting that one nominee, Thierry Vandal, was standing for election to the board for the first time.

The Chair then asked the Secretary to read the names of those proposed for election as directors. The Secretary read the names of the following individuals proposed for election as directors: W. Geoffrey Beattie, Jacynthe Côté, Toos N. Daruvala, David F. Denison, Richard L. George, Alice D. Laberge, Michael H. McCain, David I. McKay, Heather Munroe-Blum, Thomas A. Renyi, Edward Sonshine, Kathleen P. Taylor, Bridget A. van Kralingen, and Thierry Vandal.

Cheikh Diop nominated each of the persons named by the Secretary of the Bank to be elected as a director of the Bank to hold office until the close of the next Annual Meeting of Common Shareholders or until their successors are elected or appointed.

The Chair called for questions or comments from shareholders. As there was no discussion, the Chair declared the nominations closed and put the motion to a vote.

### Appointment of the Auditor

The Chair then introduced Rahoul Chowdry, Bill McFarland and Alaina Tennison, the representatives of PricewaterhouseCoopers LLP and requested a motion for the appointment of the auditor for the 2016 fiscal year. It was moved by Valerie Munn and seconded by Alexander Watson:

“THAT PricewaterhouseCoopers LLP be appointed auditor of the Bank until the close of the next Annual Meeting of Common Shareholders.”

The Chair called for questions or comments from shareholders. As there was no discussion, the Chair then put the motion to a vote.

### Shareholder Advisory Vote on Executive Compensation

The Chair introduced the next item of business: the advisory vote to accept the approach to executive compensation disclosed in the Management Proxy Circular. The Chair noted that, in considering the Bank's approach to compensation in the future, the board would take into account the results of the vote, together with other feedback received from shareholders. The Chair requested a motion for approval of the advisory resolution. It was moved by Mario Di Bernardo and Saloua Benkhouya:

“RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in the Management Proxy Circular delivered in advance of the 2016 Annual and Special Meeting of Common Shareholders.”

The Chair responded to comments from a shareholder regarding executive compensation and income inequality and then put the motion to a vote.

### Special Resolution to Confirm Amendments to By-law Two.

The Chair then introduced the next item of business: the special resolution to confirm amendments to By-law Two, deleting reference to a Director Stock Option Plan and raising to \$6 million the upper limit on the aggregate remuneration that may be paid during any year to all of the directors as a group.

It was moved by Hatim Tichout and seconded by Kathia Benchetrit:

“RESOLVED that the amendments to Section 1.1 of By-law Two, deleting reference to a Director Stock Option Plan and deleting ‘\$4,000,000’ and replacing it with ‘\$6,000,000’ are confirmed.”

The Chair then put the motion to a vote and ballot was taken.

#### Shareholder Proposal

The Chair then introduced the next item of business: the Shareholder Proposal set out in Schedule ‘B’ to the Management Proxy Circular. The Chair noted that the response of the Board of Directors to the Shareholder Proposal and the board’s voting recommendations were also set out in the Management Proxy Circular.

The Chair called on Willie Gagnon and Nicole Beaudoin of Mouvement d’éducation et de défense des actionnaires (MÉDAC) to present the Shareholder Proposal.

Mr. Gagnon presented Shareholder Proposal No. 1, relating to the simplification of financial statements, and was seconded by Ms. Beaudoin.

As there was no further discussion, the Chair put the proposal to a vote and a ballot was taken. The Chair announced that voting was closed and asked the scrutineers to collect the ballots.

#### Video Presentation and Question Period

The Chair then introduced a video presentation on how the Bank makes a difference in the lives of its clients, its employees and its communities.

Mr. McKay then responded to questions and comments from shareholders relating to recent media reports as to bank involvement with clients creating offshore corporations and actions that RBC is taking to investigate such reports, operations in tax havens, share splits, appreciation for high shareholder returns and standards of customer service at RBC, job opportunities for millennials and discount brokerage fees.

#### Voting Results

The Chair received the scrutineers’ preliminary report on the results of voting at the meeting and advised that copies of the scrutineers’ report would be available at the information desk after the meeting and voting results would be posted on the Bank’s website. The preliminary voting results were posted on the screens in the meeting room.

- On the election of directors, a substantial majority of the votes cast at the meeting were voted in favour of each of the 14 nominees named in the Management Proxy Circular, as specified below:

<b>Nominee</b>	<b>% Votes For</b>	<b>% Votes Withheld</b>	<b>Nominee</b>	<b>% Votes For</b>	<b>% Votes Withheld</b>
W. Geoffrey Beattie	97.77	2.23	David I. McKay	99.45	0.55
Jacynthe Côté	99.34	0.66	Heather Munroe-Blum	99.14	0.86
Toos N. Daruvala	99.43	0.57	Thomas A. Renyi	99.42	0.58
David F. Denison	99.08	0.92	Edward Sonshine	96.49	3.51
Richard L. George	99.45	0.55	Kathleen P. Taylor	98.67	1.33
Alice D. Laberge	99.23	0.77	Bridget A. van Kralingen	99.23	0.77
Michael H. McCain	98.41	1.59	Thierry Vandal	99.39	0.61

- On the appointment of the auditor: 99.70% in favour and 0.30% withheld;
- On the advisory resolution to accept the approach to executive compensation disclosed in the Management Proxy Circular: 95.72% in favour and 4.28% against;
- On the special resolution to confirm amendments to By-law Two: 97.96% in favour and 2.04% against;
- Shareholder Proposal No. 1: 2.42% in favour and 97.58% against.

(The Secretary has retained with the records of the Bank a copy of the scrutineers' report.)

The Chair thanked the scrutineers and declared that the 14 persons named in the Management Proxy Circular had been duly elected as directors; PricewaterhouseCoopers LLP had been appointed as the auditor; the advisory vote on the approach to executive compensation had been approved; the special resolution to confirm amendments to By-law Two had been approved; and the Shareholder Proposal had been defeated.

**Closing Remarks and Termination of Meeting**

On behalf of the Board of Directors and shareholders, the Chair thanked the Bank's employees for their efforts and contributions to the Bank's success in 2015.

As there was no further business to transact, the Chair declared the meeting terminated.

(signed) Kathleen P. Taylor  
Chair of the Board

(signed) Karen E. McCarthy  
Secretary