

# VIDEO TRANSCRIPT

**Mark Hughes**  
Chief Risk Officer

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## **Risk Management**

As a Financial Institution, RBC is in the business of taking risks on behalf of our clients – but they have to be smart risks that we understand well. Our ability to take the right risks and manage them well is a proven strength that underlies our strong, long-term performance.

Our ability to analyze and protect against what could go wrong means we can give our clients the right advice and services to help them succeed over the long term. That's what success looks like for us.

Our approach to risk – how much risk, the types of risk we're willing to take and the balance between risk and reward – underpins our strategy and our business decisions. That builds confidence for clients and value for shareholders.

Our employees drive our success. They ensure that our risk appetite is appropriate, that our growth strategies are within that appetite and that we fully understand the risks we take.

Policies and compliance are critical ... but ultimately it's our culture of Integrity and our shared responsibility for Doing What's Right that guides what we do, and means we'll be here for the long term to serve our clients.

### **Disclaimer:**

This transcript contains forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. Additional information about our forward-looking statements and risk factors can be found under the Caution regarding forward-looking statements in the Management's Discussion and Analysis in our 2014 Annual Report.

