

# Video transcript

Royal Bank of Canada, Annual Report 2016

---

## Dave McKay President & Chief Executive Officer

RBC has a very clear purpose to help clients thrive, and communities prosper. It's our north star, it guides us in everything we do, and it is the context for our principles-led, performance-driven organization.

### SUSTAINABLE GROWTH

We've just come off a very successful fiscal 2016 and as we look to the future we see, you know, wonderful growth opportunities in our home market in Canada. It's the diversity of our client franchises across corporate, institutional, wealth and retail, but also the geographic diversity of our franchise, irrespective of where growth occurs in our economy in Canada, RBC is well positioned to capture that growth going forward.

With the recent closure of our acquisition of City National Bank, it gives us a new growth opportunity in a high net worth and commercial sector in the United States which really complements our existing wealth franchise in the US along with our outstanding top 10 capital markets franchise. The synergies between those client franchises presents a wonderfully exciting growth opportunity for RBC.

As we look to serve clients outside of our core footprint of Canada and the US, we look to those client segments where we believe we have a sustainable competitive advantage, whether it's our Investor and Treasury Services outside of Canada, our Caribbean business, our Wealth footprints in Asia and in Europe.

### INNOVATION

Innovation to me as I started in this organization almost 30 years ago as a computer programmer constantly thinking about new ways to solve problems, new ways to serve clients, new ways to look at how our organization works. So innovation at RBC has a number of contexts. One, finding new products and services, finding new customers and serving them in new ways and creating value for customers which creates value for shareholders.

But to do that we have to change as an organization at the same time in how we solve problems and how we work together. That change is just as important as the innovation in products and services and RBC is on a journey to transform how it works in a more agile, nimble way which enables us to deal with the complexity of a changing world, the uncertainties of the world that we live in, building a more agile organization is absolutely critical to our long term success.

### BEST TALENT

When I think about what makes RBC strong and successful, it all comes back to our employees. And we always ask how do our employees feel about the organization. And our employee engagement is at its highest level, and for me, that's one of the strongest signals of our opportunities in the future.

#### 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 2016 Annual Report.

