



2010 Corporate Responsibility Review

Helping build a better future



Welcome to corporate responsibility at RBC

Corporate responsibility consists of a diverse set of threads that are woven together in different ways at different companies. At RBC®, we focus on six distinct areas where we have an impact as a financial services company. Our commitments in each of these areas comprise our overall corporate responsibility strategy. The tie that binds all our activities together is a commitment to integrity in all aspects of our operations.

We believe this is a fundamental priority for financial services companies and we provide very detailed information about our approach in our annual Corporate Responsibility Report. This Review contains highlights from the other five areas outlined below, and represents a snapshot of how RBC performed in 2010 in our efforts to help build a better future.

Operational integrity

Rewarding workplace

Vibrant communities

Sustainable environment

Thriving marketplace

Prosperous economy



The ties that bind



We're often asked to define "corporate responsibility." It's a simple question, but the answer can quickly become complex, because there are many different points of view on what constitutes responsible behaviour.

Sustainability or corporate responsibility may not be something that people can define precisely — but they generally know it when they see it. This year, we thought we'd try to describe what *we* think a sustainable company looks like.

- A sustainable company operates with integrity. This is the tie that binds everything else together. At RBC, we have developed policies and programs that are ranked at or near the top of the world's best practices for financial institutions.*
- A sustainable company fosters responsible workplace practices. Every year, RBC is recognized for our leading workplace programs, and we are justifiably proud of our record as an employer of choice.
- A sustainable company helps maintain the social fabric of communities. RBC is one of Canada's largest corporate donors and an active sponsor of community events, and we have a legacy of employee involvement all around the world.
- A sustainable company takes responsibility for its environmental impact. The RBC Environmental Blueprint™ contains 44 commitments outlining how we will reduce our environmental footprint, lend responsibly and provide 'green' products and services to our clients.

- A sustainable company has sound business practices in the marketplace. For a financial services company, the responsible provision of credit is a good example of responsibility in action. At RBC, we do our best to ensure that our clients have the knowledge and access to information they need to make the best financial decisions possible.
- A sustainable company has a positive impact on the economy. RBC employs approximately 79,000 people worldwide, provides credit to businesses large and small, and purchases goods and services from suppliers of all sizes.

A sustainable company performs well in all six of these areas.

When all is said and done, you might be able to tell a sustainable company simply by the fact that it stands the test of time. In 2010, RBC celebrated our 141st birthday in Canada. We commemorated 100 years in the United Kingdom. We've been in the Caribbean and U.S. since 1899. We operate in 52 countries, and have close to 18 million clients.

We think that a sustainable company looks a lot like RBC.

Welcome to our 2010 Corporate Responsibility Review. I invite you to view our full-length report, and to join the conversation about what a sustainable company looks like, at rbc.com/responsibility.

Gordon M. Nixon
President and Chief Executive Officer

* See 2010 Corporate Responsibility Report and Public Accountability Statement for rankings and sources.

RBC at a glance

RBC is one of North America's leading diversified financial services companies, and provides personal and commercial banking, wealth management services, insurance, corporate and investment banking and transaction processing services on a global basis. We employ approximately 79,000 employees, who serve close to 18 million clients through offices in Canada, the U.S. and 50 other countries.

Vision

Our vision is "Always earning the right to be our clients' first choice."

Values

Our five core values address the behaviours that make a company sustainable. Every employee is trained on these values, and they are a significant driver of employee engagement.

- Excellent service to clients and each other
- Working together to succeed
- Personal responsibility for high performance
- Diversity for growth and innovation
- Trust through integrity in everything we do

Strategy

Our strategic goals are:

- In Canada, to be the undisputed leader in financial services
- Globally, to be a leading provider of capital markets and wealth management solutions
- In targeted markets, to be a leading provider of select financial services complementary to our core strengths

Corporate responsibility awards*

- Global 100: Most Sustainable Corporations in the World
- Canada's Best Diversity Employers
- Canada's Greenest Employers
- Best 50 Corporate Citizens in Canada
- Canada's 50 Most Socially Responsible Corporations
- Canada's Top 100 Employers
- Best Workplaces in Canada
- Top Employers for Canadians Over 40
- Canada's 10 Most Admired Corporate Cultures — Hall of Fame
- GLOBE Award for Environmental Excellence
- Catalyst Award for advancing women and other diverse groups
- SAP Sustainability in Business Award

Indices

- Dow Jones Sustainability World Index (11th consecutive year) and the Dow Jones Sustainability North American Index
- The Carbon Disclosure Project Canadian Leadership Index
- NASDAQ OMX CRD Global Sustainability Index (QCRD)
- FTSE4Good Index (10th consecutive year)
- Jantzi Social Index (Ranked second out of 44 North American banks)
- Top-rated bank in *Corporate Knights'* ESG ranking of the S&P/TSX 60

* Sources listed at rbc.com/aboutus/awards



A rewarding workplace



At RBC we are bound by shared values, committed to helping our clients and proud of being a top employer.

2010 Performance

Investments in employees (worldwide)

Compensation and benefits	\$ 8.8 billion*
Training and career development (direct and indirect expenditures)	\$143.9 million

* All currency references in this document are to Canadian dollars unless otherwise noted.

RBC employment (worldwide)

	Number of employees	Full-time equivalent positions
Canada	55,671	49,792
United States	12,903	12,428
Other International	10,102	9,906
Total	78,676	72,126

Workforce diversity (Canada*)

Women	67%
Women in management	54%
Visible minorities	28%
Visible minorities in management	27%
People with disabilities	3.5%
Aboriginal people	1.6%

2010 Highlights

Priority: Maintain progressive workplace programs and practices

- Introduced a web-based program that uses brief videos of employees in different workplace scenarios to enhance understanding of how the RBC values apply in day-to-day situations

Priority: Provide competitive compensation and total rewards and enable growth through training and development opportunities

- Sponsored employee savings and share ownership programs through which more than 75% of eligible employees are RBC shareholders (Canada only)
- Invested \$143.9 million in formal training and career development initiatives, including direct and indirect expenditures

Priority: Respect diversity and promote inclusion

- Received the 2010 Catalyst Award, recognizing companies with exceptional commitment and achievements in diversity and inclusion
- Were named one of Canada's Best Diversity Employers and one of Human Rights Campaign's Best Places to Work
- Introduced a Corporate Social Network focusing on the Aboriginal community within RBC in Canada

Priority: Foster a culture of employee engagement

- Were named one of Canada's Top 100 Employers, and one of the Best Workplaces in Canada
- Sustained high employee engagement levels and continued to exceed the North American High Performance Companies comparative benchmark

* Figures represent Employment Equity data as of October 31, 2010 for our businesses in Canada governed by the Employment Equity Act. Given variations in legal definitions and restrictions in legislation around the world, comprehensive data on these four designated groups (women, visible minorities, people with disabilities, Aboriginal people) is available only in Canada.

Vibrant communities



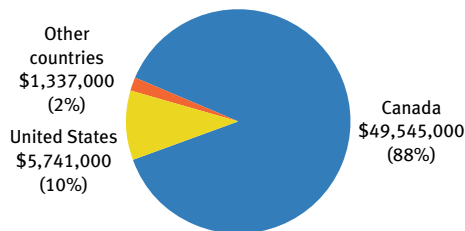
Across North America and around the world, we support a broad range of community initiatives, through donations, community sponsorships and employee volunteer activities, under a plan we call the RBC Community Blueprint™.

2010 Performance

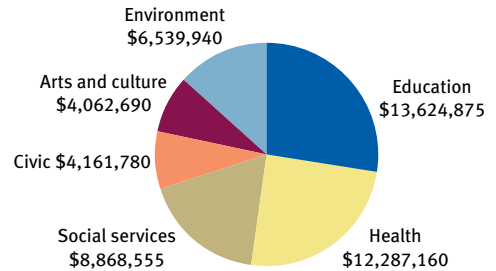
Community investments (worldwide)	
Donations	\$ 56.6 million
Community sponsorships	73.5 million*
Total	\$ 130.1 million*

* Includes our support of the Vancouver 2010 Olympic and Paralympic Winter Games and the 2010 Olympic and Paralympic Torch Relays.

2010 Donations (worldwide)



2010 Donations by cause (Canada)



2010 Donations by region

Newfoundland and Labrador	\$ 472,000
Prince Edward Island	227,250
Nova Scotia	1,499,675
New Brunswick	1,019,958
Quebec	6,479,523
Ontario	18,364,844
Manitoba	2,184,688
Saskatchewan	1,021,275
Alberta	4,516,939
British Columbia	4,959,092
Yukon	28,500
Northwest Territories	123,564
Nunavut	13,000
National organizations	8,634,692
United States	5,741,000
Other countries	1,337,000
Total	\$ 56,623,000

For a complete list of donations over \$500 given in 2010, visit rbc.com/donations.

Employee volunteer grants (number of grants)

	2010	2009	2008
Canada	2,155	2,084	1,848
U.S. and other countries	418	359	229
Total	2,573	2,443	2,077



2010 Highlights

As a large global financial institution, RBC is expected to support a wide range of causes. Our community investments provide deep support in eight priority areas shown here, while continuing to provide broad support across all sectors. We refer to this approach as the RBC Community Blueprint, our vision for helping build stronger communities and a better future.

Environment

Priority area: RBC Blue Water Project™

- Committed over \$6.07 million to fresh water initiatives
- Pledged more than \$27 million in total support since 2007 to 350 organizations worldwide working in the areas of watershed protection and access to clean drinking water

Education

Priority area: RBC After School Grants Project

- Invested over \$2.5 million in 94 community-based after-school programs in 66 cities across Canada
- Since 1999, provided more than \$22.3 million in grants to 212 community-based after-school programs, helping almost 24,000 kids gain self confidence and learn new skills in a safe environment

Amateur sport

Priority area: Olympic initiatives, hockey

- Provided \$110 million in support over seven years for the Vancouver 2010 Olympic and Paralympic Winter Games and was co-presenting partner of the 2010 Olympic and Paralympic Torch Relay
- Provided 4,500 Canadians with the opportunity to carry the torch during the Olympic Torch Relay, which travelled over 45,000 km, through more than 1,000 communities over 106 days
- Premier Partner of Hockey Canada and USA Hockey, sponsored each country's men's and women's national teams, the 2011 International Ice Hockey Federation World Junior Championship, Canada's National Junior A Championship — RBC Cup and the Hockey Hall of Fame

Diversity

Respect for diversity is one of our core values, and the theme of diversity underscores all the programs within the RBC Community Blueprint. We proactively look for opportunities to support diverse communities across our entire donations portfolio.

- In 2010, donated \$5.7 million to support diversity initiatives in Canada, focusing our efforts on Aboriginal people, people with disabilities, newcomers, cultural markets, women and GLBT (gay, lesbian, bisexual, transgendered) communities

Health and wellness

Priority area: RBC Children's Mental Health Project

- Donated over \$2.8 million to 81 organizations across Canada dedicated to children's mental health with a focus on early intervention and public education
- Donated over \$4.7 million to community and children's hospitals across Canada, and supported health-related initiatives around the world

Arts and culture

Priority area: RBC Emerging Artist Project

- Invested over \$1.4 million in apprenticeships, internships and artist recognition programs at 59 agencies in 20 cities across Canada
- Supported long-term partnerships with organizations or programs that bridge the gap between academic excellence and professional careers
- Sponsored the RBC Painting Competition for the 12th year, providing funding and recognition for budding artists

Employee contributions

- Provided 2,573 grants of \$500 each, totalling \$1.29 million, to organizations in recognition of the volunteer work of our employees and pensioners
- Made over 19,500 grants since 1999 and donated over \$9.8 million to celebrate our employees' volunteer efforts
- 1,927 RBC employees in Canada volunteered time during working hours, equal in value to almost \$343,150*, to United Way, Junior Achievement and Habitat for Humanity
- Through the RBC Team Action Grant launched in 2010, donated almost \$350,000 to charities across Canada to recognize, celebrate and thank our employees for their participation

Civic causes

Priority area: Federated appeals such as United Way, food banks and shelters

- Together with our employees, contributed \$20.5 million to the United Way in Canada and the U.S.
- Together with our employees, gave over \$580,000 to help replenish food banks and soup kitchens across Canada

* 13,726 hours at an average of \$25/hr.

A sustainable environment

We are committed to proactive and prudent management of the environmental aspects of our business.



2010 Performance

Key indicators	
Office paper use (kilograms/FTE*)	51
CO ₂ e emissions from energy use (tonnes/m ²)	0.097
Energy intensity all properties (MWh/m ²)	.35
CO ₂ e emissions from employee travel (tonnes/FTE)	.40
Transactions assessed under the Equator Principles	7

* Full-time employee equivalent.

2010 Highlights

Priority: Reduce the intensity of our environmental footprint

- Launched a multi-year energy management plan across our retail branch network in Canada
- Opened 28 new green-powered branches, bringing our total number of green-powered branches in Canada to 124
- Increased our use of sustainably sourced paper in North America and the British Isles by 20% compared to 2009

Priority: Promote environmentally responsible business activities

- Launched a policy on environmental and social risk management for RBC Capital Markets™ to complement our existing suite of business-specific environmental risk-management policies
- Performed detailed environmental credit-risk assessments on 950 transactions in Canada and the U.S.

Priority: Offer environmental products and services

- Expanded the advice we provide our clients, highlighted by the launch of the RBC Greening Your Business Advice Centre on rbc.com
- Recorded an estimated \$1.6 billion in outstanding loans and trading lines to companies whose predominant business is renewable energy production
- Traded 115 million tonnes of carbon credits through RBC Capital Markets emissions trading group



RBC
Environmental
Blueprint™

The RBC Environmental Blueprint is our five-year plan of how we will do our part to help manage issues like climate change, biodiversity and water. It lays out our plans for reducing the intensity of our environmental footprint, promoting environmentally responsible business activities and offering environmental products and services. It also outlines our community engagement and research goals. We track and present annual progress against the 44 RBC Environmental Blueprint commitments in our Blueprint Report Card, available at rbc.com/environment.

A thriving marketplace



We strive to operate with integrity in every transaction, developing products and providing services in a responsible fashion so that we can earn the trust and long-term business of our clients.

2010 Performance

Key indicators	
Bank branches (Canada)	1,209
Insurance branches (Canada)	52
ATMs (Canada)	4,227
Bank branches (United States)	426
ATMs (United States)	476
Bank branches (Caribbean)	126
ATMs (Caribbean)	330
Bank branches (China)	1
Online banking client enrollments (Canada)	6.1 million
Online banking active users (% of RBC Royal Bank customers)	27%

2010 Highlights

Priority: Provide access to basic banking and insurance

- Eliminated account fees for a number of users of electronic or self-serve transactions in Canada, reflecting the lower cost of providing these services
- Opened 18 new branches and installed 120 ATMs in Canada
- Launched a pilot loan program that helps skilled immigrant workers get the training necessary to meet certification and/or licensing requirements in Canada
- Added Cree and Inuktitut to our telephone banking service, which is now available in 180 languages
- Maintained RBC Bank™ branches in low- and medium-income communities, totalling 16% of our network in the U.S.

Priority: Develop and provide products responsibly

- Updated an environmental risk-management policy for U.S. commercial and real estate markets
- Offered our clients seven socially responsible investment (SRI) products through RBC Global Asset Management Inc. Total assets under management for the combined products are now in excess of \$900 million

Priority: Protect, educate and listen to consumers

- Introduced the RBC Royal Bank retail store in Canada, combining financial education with best-in-class retail shopping concepts to improve client financial understanding and literacy levels
- Launched *myFinanceTracker*, Canada's first online financial management tool to be integrated into an online banking service, helping clients understand and track their finances
- Broadened the scope of our fraud management to include the U.S., the Caribbean, Europe, Asia and our insurance operations

A prosperous economy



Banks are engines of prosperity and an integral component of the global economic system. RBC strives to have a positive economic impact for our stakeholders.

2010 Performance

(\$ billions)	
Revenue	\$ 28.3
Market capitalization	\$ 77.5
Taxes incurred*	\$ 2.5
Employee compensation and benefits	\$ 8.8
Goods and services purchased	\$ 5.4
Debt financing for businesses in Canada (authorized)	\$ 135.2

2010 Highlights

Priority: Provide top quartile returns to shareholders

- Our three- and five-year average annual total shareholder return ranked us in the first quartile within our global peer group for both periods, and we have a long history of delivering stable and growing dividends

Priority: Pay fair share of taxes

- Incurred tax expense of \$2.5 billion worldwide*

Priority: Promote community economic development

- Promoted sustainable homeownership with a 7% average increase in average residential mortgage business in Canada. RBC is the largest provider of home equity financing in Canada
- Were named Creditor of the Year by Credit Counselling Canada
- Originated more than 3,000 mortgages to low- and moderate-income borrowers in the United States, totaling more than US\$350 million

Priority: Support small business

- Served over 634,000 small business clients in Canada, the United States and the Caribbean
- Provided \$135.2 billion in financing to businesses in Canada

Priority: Foster innovation and entrepreneurship

- Dedicated close to \$700 million to investment in emerging technology companies around the world
- Supported innovation through the fifth annual RBC Next Great Innovator Challenge™

Priority: Create employment

- Provided direct employment to 78,676 people, with \$8.8 billion in employee compensation and benefits
- Supported organizations that promote literacy and help unemployed or underemployed people secure jobs

Priority: Purchase goods and services responsibly

- Purchased goods and services totaling \$5.4 billion from suppliers of all sizes

* Taxes include income, capital, goods and sales, payroll, property, insurance premium, and business taxes.

Vital statistics*

Workplace

	2010	2009	2008
Employees	78,676	77,673	80,100
Full-time equivalent (FTE) positions	72,126	71,186	73,323
Employees (Canada)	55,671	54,725	56,112
Employees (United States)	12,903	13,093	14,082
Employees (Caribbean and other international)	10,102	9,855	9,906
Amount invested in formal training (including direct and indirect expenditures) ¹	\$143.9 million	\$124.8 million	\$149.0 million

Workforce diversity ² (Canada)	2010	2009	2008
Women	67%	68%	69%
Women in management	54%	54%	54%
Visible minorities	28%	27%	26%
Visible minorities in management	27%	25%	25%
People with disabilities	3.5%	3.7%	3.8%
Aboriginal people	1.6%	1.6%	1.6%

Community (\$ millions)

	2010	2009	2008
Donations	\$ 56.6	\$ 52.6	\$ 51.5
Community and national sponsorships	73.5 ³	52.5	47.5
Total investments in community causes	\$ 130.1³	\$ 105.1	\$ 99.0

* All figures refer to our worldwide operations and all currency references are to Canadian dollars, unless otherwise noted.

¹ This does not include on-the-job and web-based training.

² Figures represent Employment Equity data as of October 31 for each year presented, for our businesses in Canada governed by the Employment Equity Act. Given variations in legal definitions and restrictions in legislation around the world, comprehensive data on these four designated groups (women, visible minorities, people with disabilities, Aboriginal people) is available only in Canada.

³ Includes our support of the Vancouver 2010 Olympic and Paralympic Winter Games and the 2010 Olympic and Paralympic Torch Relays.

⁴ Taxes include income, capital, goods and sales, payroll, property, insurance premium, and business taxes.

Environment

	2010	2009	2008
Office paper use (kilograms/FTE)	51	56	59
CO ₂ e emissions from energy use (tonnes/m ²)	.097	.104	.092
Energy intensity all properties (MWh/m ²)	.35	.37	.40
CO ₂ e emissions from employee travel (tonnes/FTE)	.40	.34	.36
Transactions assessed under Equator Principles	7	6	5

Marketplace

	2010	2009	2008
Countries in which we operate	52	55	50
Clients (millions; approximate)	18	18	17
Bank branches (Canada)	1,209	1,197	1,174
ATMs (Canada)	4,227	4,214	4,149
Bank branches (United States)	426	438	439
ATMs (United States)	476	486	503
Bank branches (Caribbean)	126	125	127
ATMs (Caribbean)	330	330	312
Bank branches (China)	1	1	1

Economic impact (\$ billions)

	2010	2009	2008
Revenue	\$ 28.3	\$ 29.1	\$ 21.6
Market capitalization	\$ 77.5	\$ 77.7	\$ 62.8
Taxes incurred ⁴	\$ 2.5	\$ 2.3	\$ 2.1
Employee compensation and benefits	\$ 8.8	\$ 9.0	\$ 7.8
Goods and services purchased	\$ 5.4	\$ 5.1	\$ 4.7
Debt financing for businesses in Canada (authorized)	\$ 135.2	\$ 134.2	\$ 143.5



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This publication is also available at **rbc.com/responsibility** and in audio format on request.

Ce document est également publié en français.

Our full 2010 Corporate Responsibility Report and Public Accountability Statement is available electronically at **rbc.com/responsibility** and **rbc.com/pas**. Printed copies are available, at no cost, by request to the editor at the above address. Some elements of our 2010 Public Accountability Statement are also covered in this Review.



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