

Royal Bank of Canada

UK Gender Pay Report

2020



 Speak Up
for Inclusion™

Diversity and inclusion at RBC

At RBC®, we see diversity and inclusion as an engine for innovation and economic prosperity. By actively encouraging a more diverse environment and more inclusive mindset, we are better able to develop ideas and insights that reflect the diversity of the communities and clients we serve. This strong belief is embedded in our culture and evident in the way we act and in who we are. While we have made progress, we believe there is always more we can do to address challenges in our industry and realize opportunities for our colleagues, our clients and our communities.

Diversity and inclusion is at the heart of our Purpose: to help clients thrive and communities prosper.

In our workplaces, we are committed to providing a diverse and inclusive environment where all employees are encouraged to achieve their full potential, regardless of age, race, ethnicity, sexual orientation, beliefs, disability or gender identity. Over a history spanning more than 150 years, one thing hasn't changed at RBC – our strength is and always will be our people. Our people embrace RBC's Value of Diversity & Inclusion, which guides, unites and inspires us in our day-to-day actions and decision making.

Our strategic priorities reflect our legacy D&I Blueprint pillars of Talent, Clients and Communities, while focusing on creating value for those groups with specific and measurable objectives. This includes our focus on attracting and developing the best talent, strengthening an inclusive culture, enabling inclusive economic growth by providing advice and solutions to diverse client markets and enabling the social and economic development of our communities through partnerships, research, volunteerism and corporate citizenship.

RBC has played a leadership role in promoting board diversity globally and is a member of the 30% Club, an organization founded in the UK which is focused on increasing the proportion of women on boards of directors. The Board of Directors of Royal Bank of Canada has put in place the Board Diversity Policy to assist us in meeting our diversity objectives. The policy includes increasing gender representation on the RBC Board and the boards of directors of our subsidiaries. As of fiscal year end, October 31, 2020, women composed 47% of RBC's Board of Directors, including the Chair of the Board. In the UK, women currently make up 33% of the Board of RBC Europe Limited and 71% of the Board of RBC Investor Services Trust.

“Everyone who works at RBC knows that diversity and inclusion really sits at the heart of our culture – it’s one of our core values and something we are committed to as a firm and as individuals. I’m proud of our culture and the support shown by all employees but, clearly, there is always more that we can do. As we present our fourth annual gender pay gap figures, we can demonstrate real progress but it’s not as much as we would have liked. As the Chair of our UK Diversity Leadership Committee, I and my peers remain committed to tackling this issue for the benefit of our firm, our employees, the industry and the wider community.”



Dave Thomas
CEO, RBC Europe Limited

Representation on Our Boards of Directors	% Women	% Men
Directors of Royal Bank of Canada ¹	42%	58%
Directors of RBC Europe Limited	33%	67%
Directors of RBC Investor Services Trust ²	71%	29%

¹ As of February 9, 2021

² As of February 18, 2021



Our commitment to pay equity in the UK

We are committed to pay equity – paying men and women the same for work of equal or equivalent value. We have a legal, regulatory and moral duty to ensure we pay employees equitably and we regularly review pay at the individual and company levels to ensure we meet those three obligations. Due to the confidentiality of employee compensation, we do not share this information publicly, but the data is reviewed by our independent, non-executive Board.

Unlike pay equity, the UK Gender Pay Gap calculation measures the difference in hourly pay and bonuses for all men and all women in an organisation regardless of role and seniority. Effectively, if you were to line up all the men in order of pay and all the women in order of pay, the pay of the man in the middle of the line would be compared with the pay of the woman in the middle of the line.

While men and women with similar roles, skills and experiences are paid the same, the UK Gender Pay Gap still shows a significant difference between the genders because women and men are not represented proportionally across different levels of the organisation.

In short, we have too few women in senior and executive roles.

What the results show

Since 2017, the mean gender pay gap for RBC has decreased by 4% and the percentage of women in our top pay quartile has increased by 3% across the UK.

Our UK Gender Pay Gap highlights that there are proportionally fewer women than men in higher paying, senior roles. This has been a primary focus for the past four years, and whilst we note that we are moving in the right direction, we acknowledge that more is needed to actively work to increase the representation of women in senior roles and narrow the gender pay gap.

The gender pay gap is the difference between the average pay for men and women as a proportion of the average men's pay.

Gender pay reporting refers to the legal requirement for all UK employers with more than 250 employees to publish the following:

- The difference between the average hourly pay rates of men and women
- The difference between the average bonuses of men and women
- The proportions of men and women who receive bonuses
- The relative proportions of men and women in each quartile pay band of the workforce

Gender pay gap reporting calculates **the mean and median of all consolidated UK legal entities**, unadjusted for occupational and regional differences.

Our legal entities in the UK, subject to the legal requirement, are RBC Investor Services Trust (RBC IS), RBC London Branch (RBC LB) and RBC Europe Ltd. (RBC Europe).

Gender pay gap for our consolidated entities in the UK

	Fiscal Year	2017	2018	2019	2020	4 Year Difference
Mean ²	Gender Pay Gap	42%	40%	41%	38%	(4%)
	Bonus Gender Pay Gap	64%	67%	63%	60%	(4%)
Median ³	Gender Pay Gap	39%	40%	39%	37%	(2%)
	Bonus Gender Pay Gap	69%	69%	67%	61%	(8%)

² Mean pay is the total pay for all employees divided by the number of employees in the entity.

³ Median pay is the middle of the pay distribution, with half of the employees in the entity earning more and half earning less.

Investing in our future

As a signatory to the UK's Women in Finance Charter (WIFC), a pledge for gender balance across financial services established by Her Majesty's Treasury, RBC has committed to increasing the representation of women at senior levels (defined by RBC as director-level or higher) in the British Isles. RBC has made steady progress towards this goal and publishes its results annually on the company website. Overall, women representation in senior management roles has increased from 19% in 2017 to 21% in 2020. We have committed to increasing it by 1% each year to reach 25% by 2025. Our goal is to accelerate our progress towards full inclusion to attract, retain and enable the best talent and to increase leadership diversity.



Enhancing hiring and recruitment programs

RBC works closely with recruitment firms to ensure a broad range of candidates are presented for an interview. We have committed to at least 25% women representation on all interview and promotion review panels, and our recruitment team submits a quarterly report to RBC's senior leadership, which tracks a range of diversity data to ensure a balanced and inclusive hiring process.

Launched in 2017, RBC has expanded its RLaunch programme, which offers permanent roles to people returning after a period of voluntary absence from the industry. Through this programme RBC has managed to bring a number of talented women back to the industry and supported them through the transition to work by providing a flexible and individually tailored approach. In September 2020, RBC hosted the Virtual Returners Event in partnership with The Return Hub to promote RLaunch and identify further talented individuals interested in returning to finance.

At a junior level, we continue to tap into diverse talent pools through our RBC Academy programme. This initiative brings the world of finance to students in year 10, at a number of inner-city schools, through a series of Academy workshops. Students who subsequently apply for, and are successful in obtaining, an RBC Academy placement are offered a grant to fund their studies and regular internships at RBC.

“The representation of women in senior roles is an important measure of progress in our diversity strategy and something that RBC is committed to improving. We are making progress and will continue to drive change and while we accept that there is much work ahead, we are encouraged by the direction of travel. As more women take on senior roles across our business, they act as role models and are able to encourage and inspire a new generation of future leaders.”



Joanna Meager
Head, RBC Investor & Treasury Services UK

In 2020, RBC honoured its commitment to student programs and continued with internship, graduate and apprenticeship programs. These were all conducted in a virtual environment. For the first time, RBC achieved a 50/50 split between men and women graduates joining our programme. In 2020, we also hosted the ‘Empowering Women Spring Insight Program’, which is a two-day programme for selected women students to attend a range of insight events and networking sessions. We are encouraging more women to join the finance industry than ever before and will continue to support their growth through the organisation.

RBC also participates in a number of targeted campus recruitment events focused on diverse groups; for example female STEM students, students from Black, Asian and Minority Ethnic (BAME) backgrounds, as well as Lesbian, Gay, Bisexual and Transgender (LGBT+) students enrolled at UK universities.

In 2020, we partnered with Fresh Look, a profile-raising event designed to introduce undergraduate women students to careers in investment banking. Through informative presentations, panel discussions and informal networking, the event provides a unique perspective on what it is like to work in the city.

Investing in our future



Developing our people

Our employee resource groups (ERGs) across the UK host a series of events every year. These cover networking, skills workshops and learning, career development opportunities, mindfulness and mentoring opportunities.

- **RWomen**, our employee network focused on promoting gender balance, has organized a broad range of events on topics including coding, imposter syndrome, financial wellbeing.
- **i-CARE UK**, our employee network focused on self-care, family-care, elder-care and care in the community, has offered virtual mindfulness sessions to all employees, along with webinars on caring for vulnerable people during the pandemic.
- **RBC Pride** has hosted internal and industry-wide events for LGBTQ+ employees and straight allies, including senior champions.
- **RFuture**, a support and networking group for future leaders, has hosted technology and innovation expos, agile roadshows, lunch and learn sessions with senior leaders and guest speakers, and informal networking opportunities.
- **RBC MEA UK** has worked with RBC Recruitment to build networks with an Afro-Caribbean society at a partner university and support applications from women coming from diverse backgrounds.

We continue to partner in the UK with Business in the Community, Women in Banking and Finance, We Are the City, and City Women's Network. To support our employees' work-life balance, we partner with Working Families and City Parents. We also work with Business in the Community to help us create a more inclusive workplace.



Enabling talent

The Covid-19 pandemic saw an unprecedented amount of change for employees, and RBC recognised the impact the pandemic had on employees. As a result, RBC moved to a work from home and trade from home model for all employees throughout the pandemic and allocated a £250 budget to all employees in order to enable a better working from home environment. RBC UK also allowed individuals to take up to 20 days paid leave for child-care in 2020 to help colleagues manage through school and caregiver closures. In 2021 so far, RBC has committed to an additional 10 days paid emergency leave for parents and carers during Covid-19 and has committed to extending this on an annual basis post-Covid.



Strengthening an inclusive culture

RBC's global commitment to a diverse and inclusive workplace is implemented across the UK through the regional diversity strategy, which sets out the principles by which actions and areas of focus are determined. A regional diversity committee was established in 2004 and includes senior representatives from all of RBC's businesses and functional teams, and is chaired by the CEO of RBC Europe Limited.

At RBC, we believe that every employee has the right and the potential to succeed. That's why we continually review our employee benefits, wellness offerings, culture and policies to ensure our employees have the support they need to achieve their full potential at RBC.

“At RBC, we have a very active women’s network, RWomen, who are advocating for change both at RBC through reports and feedback to management committees and across the broader industry as part of the City’s gender diversity networks. RWomen is open to colleagues regardless of how they identify and our aim is to ensure a level playing field and fostering an environment where all employees are able to achieve their full potential.”



Charlotte Dukes
Associate, UK Credit
Sales and Co-Chair
RWomen



Employee wellness

In 2020 RBC implemented the Voice of the Employee Ecosystem, which during the pandemic included more frequent listening mechanisms through “Wellbeing” pulse surveys in order to gauge real time employee sentiment and concerns. The benefits of a more frequent assessment provides RBC and people managers greater understanding of employee needs, preferences and perspectives, informing business decisions that directly impact an employee’s experience. In 2020 and continuing into 2021, RBC has launched an integrated approach to employee wellness through the Wellness+ campaign, designed around learning pathways and external experts to help employees on their wellness journeys.



Involving employees

We are working with our active employee resource groups – specifically our young persons and future leaders’ network (RFuture), our women’s network (RWomen), our LGBTQ+ and allyship network RPride, our network for working parents and caregivers (i-CARE) as well as our MEA UK network to support BAME women by providing them with additional networking opportunities, mentoring and general career support – to ensure we retain and advance talented people at RBC.

Strengthening an inclusive culture

“I am pleased to see that we are making progress in the right direction on the gender pay gap and that we recognize there is still more work to be done. We know that championing equality benefits everyone and RBC can continue to play a big part by remaining focused on improving diversity both in the workplace and in the communities we serve. Having joined RBC as a graduate in 2009 and moved between Group Risk Management, Corporate Treasury and I&TS, I have seen how RBC stands by its commitment to provide employees equal opportunities to achieve their full potential. I am confident that the firm will continue to move in the right direction with the full support of our leadership team, employees and our employee-led diversity networks.”



Ayesha Patel
Head of Product & Profitability for Market Services, I&TS

Future of work

The global pandemic has accelerated many changes in where and how work takes place. Looking ahead, we know the future of work will require more flexibility, and that there is never a one-size-fits-all solution. However, our overall approach will be guided by RBC’s Purpose and culture and closely aligned with our business strategy. We will be adaptable so we can respond to the evolving needs of clients, communities and employees. And finally, our strategy will be human-centred and inclusive, so our employees can bring their full potential to work and are able to learn, grow and contribute, wherever they work.



Family friendly policies

RBC has continued to enhance its family-friendly policies to ensure they are inclusive of all family situations. Changes in 2020 included:

- Continued focus on supporting employees with caring responsibilities
- Launch of a suite of tools and resources to enable employees and managers to prepare for upcoming family leave
- Launch of a bereavement policy providing up to 20 days paid leave to support employees who have experienced loss of a close relative



Work-life balance

RBC has established a dedicated flexible working steering group, which reports quarterly to the UK Diversity Committee. The group’s focus is on building the policies, procedures and culture to support an open, flexible and understanding workplace environment to support all employees. In 2020 a review of the Flexible Working Application policy saw a consolidation across all business platforms in the UK and Channel Islands as well as removal of the number of applications that can be made in one year. We regularly publish internal profiles of employees, at all levels of the organization, who have shared their working from home experiences and the positive impact on work-life balance.

Awards and recognition



Our actions to promote diversity in the workplace and in the community have been recognised in a survey by Refinitiv (formerly Thomson Reuters' Index) of over 9,000 corporations globally. RBC ranked #4 among all corporations globally for diversity and inclusion.



For the fifth year (2017-2021), RBC has been named to the Bloomberg Gender-Equality Index (GEI), an annual review that measures gender equality across internal company statistics, employee policies, external community support and engagement, and gender-conscious product offerings.



For the fourth year (2018-2021), RBC received the Working Families Top 30 Employers award, which recognises our work to build a flexible and family-friendly workplace.



RBC is proud to be selected as a Catalyst Award winner for 2021. This prestigious global award attracts organizations from around the world. Every year, Catalyst identifies and receives applications from companies of all sizes, regions and industries whose groundbreaking initiatives to advance women and diverse groups make them eligible for the award. RBC also joins an exclusive list of organizations that have won the award twice.



RBC has been named one of the top 100 global companies as ranked in the 2021 Gender Equality Index by Equileap. They researched and ranked over 3,500 public companies around the world using a unique and comprehensive gender equality scorecard with 19 criteria, including the gender balance of the workforce, senior management and board of directors, as well as equal pay, parental leave, non-discriminatory hiring and promotion, and supply chain safety.

Supporting information

- [About Value for Employees background paper](#)
- [2019 ESG Performance Report](#)
- [2019 Public Accountability Statement](#)
- [Diversity and Inclusion Blueprint 2020](#)
- [Diversity website](#)
- [Supplier Diversity website](#)
- [Supplier Code of Conduct](#)
- [Employee Code of Conduct](#)

For more information on our enterprise programs and initiatives, please see our [2019 Enterprise Diversity & Inclusion Report](#).

We're proud of the progress we've made and we're motivated to continue on this path.

Appendix – UK gender pay regulatory reporting

Changes in gender pay across consolidated entities: 2017-2020

	Consolidated Entities									
	Mean					Median				
	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis
Gender Pay Gap	42%	40%	41%	38%	(4%)	39%	40%	39%	37%	(2%)
Bonus Gender Pay Gap	64%	67%	63%	60%	(4%)	69%	69%	67%	61%	(8%)

Changes in gender pay by entity: 2017-2020

	RBC IS					RBC LB					RBC Europe																			
	Mean			Median		Mean			Median		Mean			Median																
	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis										
Gender Pay Gap	26%	20%	21%	25%	(1%)	28%	27%	29%	25%	(3%)	35%	33%	35%	34%	(1%)	30%	29%	33%	28%	(2%)	51%	51%	49%	47%	(4%)	57%	55%	51%	54%	(3%)
Bonus Gender Pay Gap	46%	39%	30%	46%	0%	62%	68%	61%	54%	(8%)	64%	63%	59%	56%	(8%)	60%	55%	55%	48%	(12%)	65%	72%	69%	64%	(1%)	86%	86%	82%	80%	(6%)

Changes in proportion of women by quartile and entity: 2017-2020

	Consolidated Entities					RBC IS					RBC LB					RBC Europe				
	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis
Upper	13%	15%	15%	16%	3%	27%	28%	28%	25%	(2%)	14%	16%	16%	16%	2%	8%	8%	10%	13%	5%
Upper Middle	23%	24%	26%	24%	1%	26%	32%	31%	27%	1%	23%	24%	24%	27%	4%	20%	25%	26%	19%	(1%)
Lower Middle	37%	39%	40%	40%	3%	40%	42%	51%	48%	8%	33%	35%	38%	38%	5%	39%	37%	38%	36%	(3%)
Lower	57%	57%	57%	55%	(2%)	64%	60%	60%	55%	(9%)	53%	54%	55%	55%	2%	61%	64%	59%	56%	(5%)

Appendix – UK gender pay regulatory reporting

Proportion of women and men that received a bonus: 2017-2020

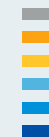
	Consolidated Entities										RBC IS									
	Men					Women					Men					Women				
	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis
Bonus Received	98%	88%	89%	93%	(5%)	99%	90%	88%	90%	(9%)	95%	83%	91%	92%	(3%)	99%	89%	93%	95%	(4%)
No Bonus Received	2%	12%	11%	7%	5%	1%	10%	12%	10%	9%	5%	17%	9%	8%	3%	1%	11%	7%	5%	4%

	RBC LB					RBC Europe														
	Men			Women		Men					Women									
	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis	2017	2018	2019	2020	4 Year Analysis
Bonus Received	98%	88%	89%	92%	(6%)	99%	89%	87%	86%	(13%)	100%	89%	89%	93%	(7%)	100%	92%	87%	92%	(8%)
No Bonus Received	2%	12%	11%	8%	6%	1%	11%	13%	14%	13%	0%	11%	11%	7%	7%	0%	8%	13%	8%	8%

We confirm the above information is accurate.

Dave Thomas
CEO, RBC Europe Limited

Joanna Meager
Head, RBC Investor & Treasury Services UK



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