



global companies that have proven their ability to manage strategic opportunities in new environmental and social markets. RBC was also a part of the Dow Jones Sustainability World Index (sixth consecutive year) and Dow Jones Sustainability North America Index recognizing financial, social and environmental leaders, as well as the Climate Leadership Index.

Based on our 2005 submission to the Carbon Disclosure Project (CDP), RBC was among 60 large companies worldwide recognized as leaders in understanding and addressing a breadth of climate change issues.

In addition, RBC Centura won the North Carolina International Community and Economic Development Award (NC Department of Commerce) in recognition of community impact, executive leadership and commitment, corporate mission statement and values and employee participation.

HISTORY

As early as 1875, the *Halifax Chronicle* saw vast potential in the upstart Merchants' Bank of Halifax (renamed The Royal Bank of Canada in 1901) and publicly noted the bank's impressive ability to remain "always moving, alive and active." Willing to test the outer limits of the Canadian banking consensus, Royal Bank's evolution from a small

THE MARKET

Royal Bank of Canada (TSX, NYSE: RY), and its subsidiaries operate under the master brand name of RBC. As measured by assets and market capitalization, RBC is Canada's largest bank and one of North America's leading diversified financial services companies.

RBC provides personal and commercial banking, wealth management services, insurance, corporate and investment banking on a global basis. The corporate support team enables business growth with expert professional advice and state-of-the-art processes and technology. RBC employs approximately 70,000 full and part-time employees who serve more than 14 million personal, business and public sector clients throughout offices in North America and some 30 countries around the world.

ACHIEVEMENTS

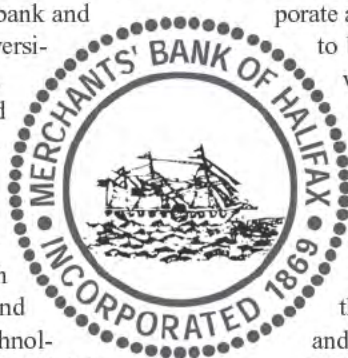
In Canada, RBC has strong market positions in all of its businesses. In personal and business banking, it ranks first or second in most retail products. In wealth management, RBC has the leading full-service brokerage operation (by assets), the top mutual fund provider among Canadian banks and the second-largest self-directed broker (by assets).

RBC is the largest Canadian bank-owned insurer, one of the top 10 Canadian life insurance producers and a leader in travel insurance, creditor products and individual disability insurance. In corporate and investment banking, it continues to be the top-ranked securities underwriter and the leading mergers and acquisitions advisor.

RBC was named "Canada's Most Respected Corporation" for 2005 in an annual survey conducted by Ipsos Reid for KPMG. This marked the fourth year in a row the company has received this honour and the sixth time in the past 11 years.

RBC was ranked Canada's Most Valuable Brand in 2004 and 2005 by Brand Finance, a UK-based company. The survey uses publicly available sales, market-share and advertising data to estimate brand royalty rates for each of Canada's largest industry sectors. Market surveys, consumer research and company filings are used to determine the company's brand strength, consumer awareness, retail presence and marketing spending. Brand Finance found the RBC brand to have a value of \$4.5 billion.

In 2005, RBC was also the first Canadian bank to be named to the Global 100 Most Sustainable Corporations in the World ranking, recognizing



regional bank into a national institution is attributed to the strength of its people and to its bold strategies tempered by the required caution.

The history of Royal Bank closely parallels the evolution of Canada from growth to maturity. Whether opening a branch at the "end of steel" in support of emerging communities alongside Canada's fledgling national railway, or aggressively pursuing new e-commerce delivery channels, Royal Bank has always anticipated and responded to the needs of Canadians.

THE PRODUCT

RBC's domestic delivery network includes 1,104 branches and 3,906 automated banking machines, 437 investment retirement planners, 1,063 financial planners, 371 insurance agents and 975 mortgage specialists. Currently, 3.5 million people do business with RBC online, while 2.5 million clients do business over the telephone.

In the United States, RBC provides personal and commercial banking, insurance, full-service brokerage and corporate and investment banking services to about 1.5 million clients through RBC Centura, RBC Insurance, RBC Dain Rauscher and RBC Capital Markets. RBC Dain Rauscher is the eighth-largest full-service brokerage in the United States, based on number of financial consultants. RBC Centura is the 50th-largest bank in the United States, based on assets, and is focused on meeting the personal banking needs of businesses, business owners and professionals.

Internationally, the company has a strong retail banking network in the Caribbean and a



presence in niche markets. In Europe, South America and the Middle East, private banking, international estate planning and wealth management services are tailored for high-net-worth individuals, sophisticated investors and corporate and institutional clients. Investment banking, trading, capital markets and reinsurance are also offered to corporate, institutional and business clients. In a Euromoney survey released in January 2005, the Global Private Banking division ranked as the number one provider of trust services in the United Kingdom and number six worldwide. RBC



also ranked as the number-three private bank in Brazil and number four in the Americas.

In the Asia-Pacific region and Australia, RBC provides corporate and investment banking, trade finance and correspondent banking to corporate clients, reinsurance to institutional and business clients and private banking services to individual clients.

RECENT DEVELOPMENTS

In 2005, RBC Insurance opened its first new concept multi-line insurance outlets located adjacent to RBC Royal Bank branches in Canada, where rules prohibit most types of insurance from being sold in bank branches.

The company also announced the creation of a joint venture, RBC Dexia Investor Services, which ranks among the world's top ten global custodians.

In November 2005, RBC acquired Abacus Financial Services limited, significantly strengthening the Global Private Banking operations in the British Isles marketplace, providing a greater presence in Europe.

In 2005, RBC also expanded in the Americas, by opening representative offices in Porto Alegre, Brazil and San Francisco.

In early 2006, RBC opened a Royal Bank of Canada branch in Beijing, marking the first foreign bank to be located on Financial Street, the hub of Beijing's financial district.

The Carolina Hurricanes won the Stanley Cup for the 2005–2006 National Hockey League season in their home arena, the RBC Center in Raleigh, NC.

PROMOTION

RBC's advertising in all markets expresses the same, important message: it all starts with our clients. This is expressed across Canada with client-focused campaigns — using “First For You” and “Je,” in English and French language media, respectively. The US and international market uses similar client-focused positioning in its marketing communications.

BRAND VALUES

RBC is committed to make a lasting social impact through inspired, responsible giving and by building strong partnerships with the charitable sector and communities. RBC has been a strong supporter of amateur athletics, including a relationship with the Canadian Olympic team that spans 59 years. RBC recently renewed its partnership as a Premiere National Partner of the Vancouver 2010 Olympic and Paralympic Winter Games.



RBC believes in building prosperity by supporting a broad range of causes and is a leading corporate donor in North America. In 2005, more than \$65 million found its way to community causes worldwide, through donations of more than

\$40.6 million, and an additional \$25 million in the sponsorship of community events and national organizations. RBC employees and pensioners also make an enormous contribution as volunteers, sharing their financial and business knowledge, time and enthusiasm with thousands of community groups.

“Always earning the right to be our clients' first choice” is a corporate vision driven by every employee's understanding that their role is to enable its clients' success.

The values held by employees that contribute to this success include service, teamwork, responsibility, diversity and integrity.



THINGS YOU DIDN'T KNOW ABOUT RBC

- In 1947, RBC made its first contribution supporting athletes to help get the Canadian Team to the Olympic Winter Games in St. Moritz, Switzerland. This marked the beginning of a relationship that continues today.
- In 1900, Royal Bank employed a staff of 245 and operated 40 branches. The average price on the stock market for Royal Bank shares was \$177.50 per share.
- Royal Bank was the first Canadian bank to install a computer, an IBM 1401 in 1961.