

Shareholder proposals

We believe the board diversity policy and our objective that each gender comprise at least 30% of directors meets the goal of promoting diversity and inclusion while also maintaining the flexibility in identifying the most highly qualified candidates to attain the optimal mix of skills and experience to contribute to overall effectiveness of the board and its committees.

The board recommends you vote **AGAINST** this proposal.

WITHDRAWN PROPOSALS

British Columbia Government and Service Employees' Union

British Columbia Government and Service Employees' Union (BCGEU) submitted a proposal requesting that the board report on how RBC is identifying and addressing human rights risks in relation to U.S. immigration enforcement policy, more specifically in connection with The GEO Group, Inc. and CoreCivic, Inc., two firms that operate migrant detention facilities in the United States. Further to discussions with BCGEU, in consideration of the bank's statements and commitments described below, BCGEU has agreed to withdraw its proposal.

RBC is strongly committed to supporting and maintaining the highest standards of ethical conduct and respect for human rights through all aspects of our dealings with RBC employees, contract workers, clients and other affected stakeholders.

In keeping with our environmental and social (E&S) risk policies, we do not currently provide lending or financing services to the private prison industry in the United States. Any existing or prospective client relationship in sectors involving E&S risk, such as the private prison industry in the United States, is subject to our E&S risk policies. Existing or prospective client relationships with potentially significant reputation risk – including relationships with companies involved in the private prison industry in the United States – require enhanced due diligence, including escalation to our reputation risk oversight committee. We are committed to continue to review and update our E&S risk policies and procedures – including how we assess human rights risks – to address regulatory changes, emerging and evolving issues, and international best practices on an ongoing basis.

During fiscal 2020, we will develop a human rights position statement informed primarily by the requirements of the United Nations Guiding Principles on Business and Human Rights and publish it on our website, and we will further enhance our stakeholder engagement on human rights matters through two-way communication.

Vancity Investment Management Inc.

Based on the bank's commitment to gender equity in pay and actions the bank has underway to identify and address pay disparities between men and women performing work of equal or comparable value, Vancity Investment Management Inc. agreed to withdraw a shareholder proposal on compensation practices, policies and strategies addressing any current or historic gender pay gap. These actions include the disclosure of the results of the bank's pay equity analytics across position groups for federally-regulated employees in Canada in our 2019 Environmental, Social and Governance (ESG) Performance Report available at rbc.com/community-social-impact.