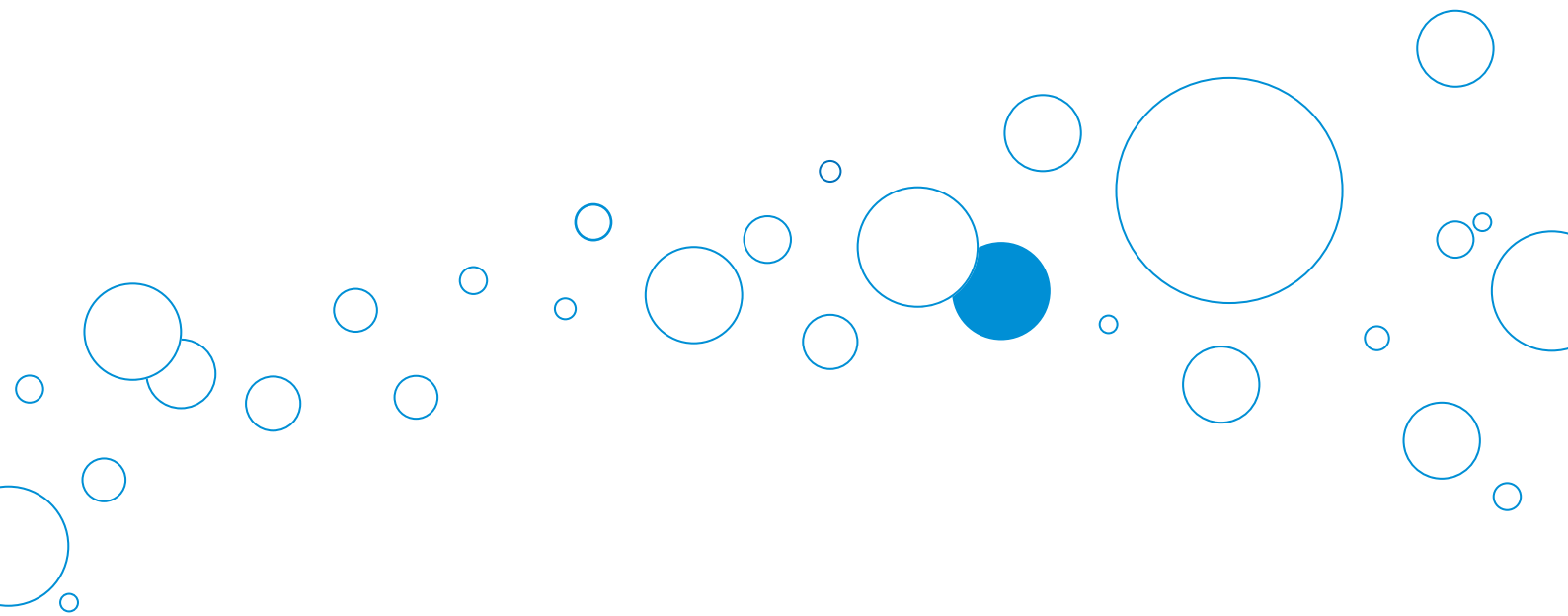




RBC DEXIA
INVESTOR SERVICES

Insights and opportunities

RBC Dexia 2009 Year in Review





RBC DEXIA
INVESTOR SERVICES

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Welcome

Introduction

Introduction	
Welcome	3
CEO's message	4
Chairman's message	5
Performance & growth	
Solid business performance	7
Expanded capabilities	8
Global reach	10
Risk management	11
Innovation & integration	
Investment in technology	13
Global integration	15
Shaping tomorrow	16
Achieving your ambitions	
Client service focus	19
Quality & excellence	21
Employee experience	22
Insights & leadership	24
Charitable & community support	
Charitable initiatives	27
Olympic spirit	29

RBC Dexia Investor Services is pleased to present the 2009 Year in Review, Insights and Opportunities, providing an overview of the achievements and successes we've shared with our clients and employees.

With the support and dedication of our employees around the world, RBC Dexia demonstrated a relentless focus on exceeding our clients' expectations—providing a differentiated client experience during a period of unprecedented circumstances. RBC Dexia will continue to enthusiastically support our clients and distinguish ourselves by maintaining the prudent financial and risk management practices that served us well throughout 2009.

As at December 31, 2009:

2.5

USD 2.5 trillion client assets under administration

91

91 markets in our global custody network

5,300

5,300 employees

6,120

6,120 funds administered

16

16 offices worldwide

1.9

1.9 million NAVs (annualised)

14

14 fund administration markets

CEO's message

Introduction



As we begin to emerge from the most severe economic crisis in recent history, RBC Dexia has learned that consistent service quality and a dogged commitment to prudent risk management can only strengthen our ability to serve the global investor services market. By focusing our energy on helping clients improve their performance in 2009, we continued to perform well ourselves.

Emerging trends, including a flight to quality and intense scrutiny of custodians, have allowed us to showcase the true depth of our service offering and our strength and stability. Our global product capability is steadily expanding and ground-breaking technology is transforming the way we deliver these products. The talent and dedication of our employees is unsurpassed in the industry, as confirmed by top rankings in independent surveys. And we continue to draw on the expertise and support of our respected parent companies. In short, RBC Dexia is in an exceptional position to serve the long-term needs of global investors.

Our goal now and in the future is to use our experience and insight to help create the best possible opportunities for our clients to succeed, turning any economic cycle to their advantage. In fact, the theme of our Year in Review is Insights and Opportunities, many of which are described in these pages.

We are moving forward with renewed confidence in our own resilience. And as markets recover, we'll continue work to reinforce our clients' confidence in the value RBC Dexia can offer.

A handwritten signature in black ink, reading "José Placido". The signature is fluid and cursive, with a large, stylized initial 'J'.

José Placido
Chief Executive Officer

Chairman's message

Introduction



I am delighted to begin my term as Chairman of the Board of Directors for RBC Dexia Investor Services at a time of improving prospects for markets in general and the global investment industry in particular. I would also like to take this opportunity to thank Jim Westlake for his excellent leadership and guidance in his role as Chairman over the last two years.

The difficult days are by no means over. Industry consolidation continues and the financial community is facing a more rigorous regulatory environment. Our own business has felt the impact of declining transaction volumes and market values. But the need for expertise in safeguarding the interests of the world's leading funds will only increase in the face of these changes.

This is an invigorating prospect for RBC Dexia, which has found a balance between the need for sound, responsible management of client assets and the will to invest in new and creative tools that will help those assets grow.

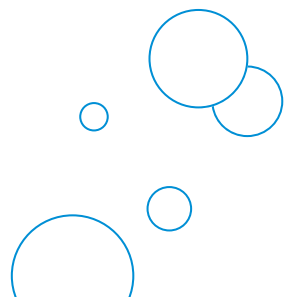
We are proud of our ability to respond quickly to changing client demands without compromising our risk management standards.

As members of the Board of Directors, we remain dedicated to providing the strategic advice and direction required of us to help RBC Dexia succeed, grow and meet client needs. In the months ahead, we will pay particular attention to understanding, interpreting and responding to the requirements of regulators on behalf of our clients.

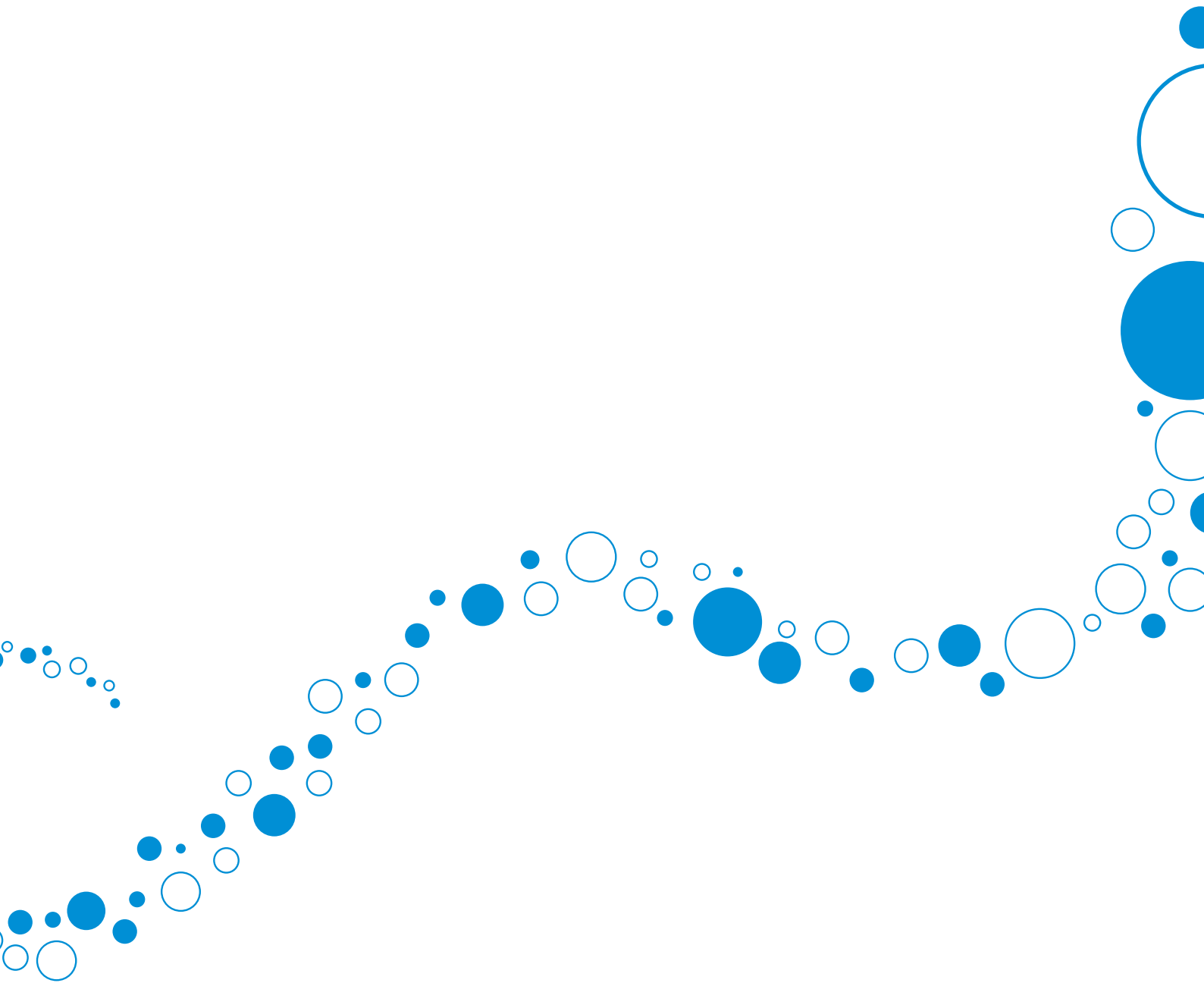
The Board of Directors is proud of the performance of RBC Dexia throughout 2009 and continues to have great confidence in the ability of its management team and employees to deliver excellent results.

A handwritten signature in black ink, appearing to read 'Stefaan Decraene', enclosed within a large, thin, hand-drawn oval.

Stefaan Decraene
Chairman of the Board



Performance & growth



Solid business performance

Performance & growth

In the investor services business, market dynamics strongly influence key financial benchmarks including transaction volumes and assets under administration. In 2009, the industry faced volatility on both fronts, along with compressed interest rate spreads and other economic challenges. But as markets began their cautious rebound, so did performance levels. While RBC Dexia's revenues were lower in 2009, sales efforts continued to result in strong growth. RBC Dexia secured 195 new mandates globally across all facets of our business – from distribution support, fund accounting and transfer agency to securities lending, foreign exchange and performance measurement.

Tony Johnson, Global Head, Sales & Distribution noted that, "Prospects were keen to work with RBC Dexia – an organisation with strong fundamentals, sound risk management practices and a clear focus on helping clients achieve their growth and efficiency goals. We provided the reassurance and range of solutions that helped forge many new client partnerships."

RBC Dexia's strong ratings (S&P: AA- and Moody's: Aa3) are based on its stand-alone financial strength as well as the support of its two shareholders, RBC and Dexia. RBC Dexia maintains a highly liquid balance sheet with a very conservative risk profile and is well capitalised, in excess of regulatory requirements—as at December 31, 2009, our Tier 1 Ratio was 29.9%. In addition, RBC Dexia has significant committed lines of credit from both of its shareholders.

By the numbers (year over year):

195

New mandates

+32%

Client assets under administration

+12%

Net asset values (annualised)

+7%

Funds administered

Expanded capabilities

Performance & growth

RBC Dexia's purpose is to enable our clients to achieve their ambitions by building sustainable relationships and delivering exceptional experiences. That deep sense of purpose drives our product development and other activities that improve efficiency, reduce risk and enhance returns. To that end, RBC Dexia has recently introduced a number of innovations.

Liability benchmark

Liability Benchmark is a service that helps Canadian pension plans align their assets and liabilities. In 2009, RBC Dexia polled more than 370 defined benefit pension plan sponsors and almost half of the respondents identified aligning future liabilities as the biggest challenge their pension plans will face in 2010. Our proprietary liability benchmark tool helps address this need, delivering important information to plan sponsors on the performance of their pension funds against future obligations.

Pooled funds survey

RBC Dexia's new quarterly Pooled Funds Survey is a valuable resource for asset managers and investors across the Canadian market. The survey presents comparative return information for individual pooled funds available within Canada. It provides institutional pooled fund buyers (plan sponsors, insurance and endowments) and sellers (investment managers) with the opportunity to evaluate individual fund performance according to mandates, peers and benchmarks—satisfying market demands for unbiased, transparent industry information.

Fund trading

RBC Dexia has collaborated with SunGard on an automated fund trading and settlement solution that will provide enhanced global coverage and product breadth to meet the increasingly complex needs of investors. RBC Dexia's fund trading web portal will integrate with Sungard's transaction network and provide their clients with the ability to trade cross-border funds. This single connection will help clients: gain operational efficiencies;

reduce costs; eliminate the need to establish individual memberships with clearing entities and separate trading agreements; increase revenue potential with intermediary revenues and offset transaction charges.

Fund accounting and pricing

A new global central pricing system has enabled us to reach a high degree of automation in the processes used to value fund portfolios. Through these technology advances, we have automated processing for more complex instruments and significantly enhanced the scale, efficiency and effectiveness of our client service.

Securities lending

We continue to enhance our securities lending product to adapt to the changing financial landscape as well as our clients' evolving needs. In 2009, we further extended the product globally and now service clients located in Sweden and Belgium. And enhancements to our third party lending infrastructure have resulted in streamlined processing capabil-

ities that help broaden the earning potential for participating clients.

As part of our continuous review and monitoring of securities markets, we look for attractive lending revenue opportunities that fit within our clients' risk parameters—increasingly important as attention is shifting from mature markets to new emerging markets. Our program coverage includes 27 securities markets around the world.

Automated processing

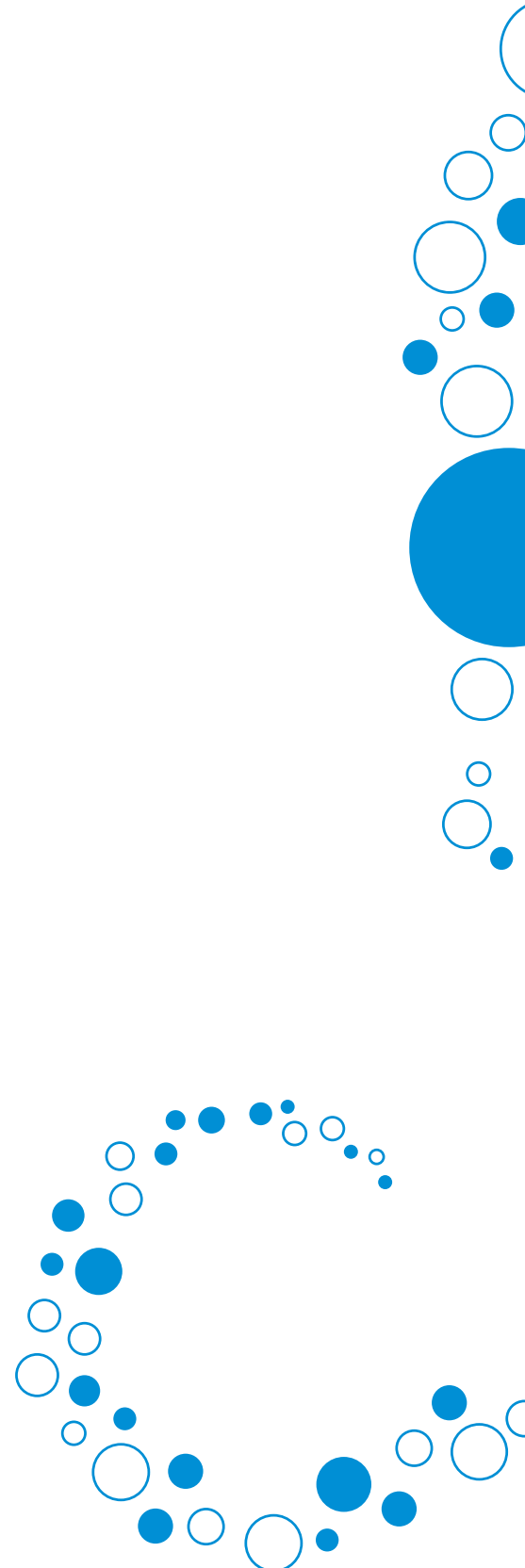
Early in 2009, RBC Dexia launched its automated funds processing service in Australia and became the first unit registrar to be SWIFT-enabled and operative as part of an industry-wide drive to reduce risk and lower costs in the funds market. Our positive experience with this in Europe prompted its introduction in Australia.

Network management

The need to stay close to our clients and the markets in which we conduct business is more critical than ever—including the management and oversight of the more than 90 subcustodians in our agent network. As a result, RBC Dexia's Network Management group has expanded into a number of key locations, providing us with 24-hour time zone coverage to support our global operating model:

- Europe, Middle East and Africa (EMEA) - based in London
- The Americas region - based in Toronto
- Asia Pacific - based in Singapore

Our subcustodians are supported by specialist network services teams based in London and Luxembourg. In addition, RBC Dexia has extended its Global Market Information service to clients worldwide, providing electronic access to the latest news and information on the markets specified in their unique online profiles.



Global reach

Performance & growth

In the fall of 2009 we entered into an agreement with Unione di Banche Italiane scpa (UBI Banca) to acquire its depositary bank business, which has more than EUR 19 billion in assets under custody.

The first half of 2009 was marked by negative market trends, including decreases in major equity markets, investor apprehension about a lingering recession, excessive government intervention and depressed interest rates. Despite this, prospects for growth emerged in the second half of 2009. Market values improved, resulting in the expansion of assets under management for fund managers. Investors shifted back to equities from cash, and broader outsourcing opportunities emerged as fund managers focussed on core activities and cost management. All combined, this helped provide a modestly optimistic outlook for the investor services industry.

RBC Dexia has always been focused on building its investor services business both organically and through acquisitions. We continue to look for acquisition opportunities that add scale to our current markets or geographies, enhance our product capability or enable us to enter new markets.

In the fall of 2009 we entered into an agreement with Unione di Banche Italiane scpa (UBI Banca) to acquire its depositary bank business, which has more than EUR 19 billion in assets under custody. The agreement also includes certain correspondent bank agreements, and RBC Dexia will provide custody and settlement services to UBI Banca for international securities activities for both client and proprietary transactions.

Through this important acquisition, RBC Dexia gains depositary bank and correspondent bank capability in Italy. It will strengthen our fund administration and transfer agency service offering in the market, enabling us to facilitate our clients' onshore and offshore fund strategies. And it will further enhance our ability to attract new mandates in a market where the outsourcing trend is gaining momentum.



Risk management

Performance & growth

In today's environment, terms like 'transparency', 'governance' and 'risk-averse' have become part of the common vernacular. And they resonate with RBC Dexia's approach to risk management—minimising risk by ensuring that effective infrastructure, controls and systems are in place throughout our organisation.

We employ top professionals who are proactive in developing new methodologies for identifying, assessing and managing operational risk. In this regard, RBC Dexia appointed Frank Van Hoorneweder as Chief Risk Officer in 2009. Based in Luxembourg, Frank brings specialised risk management expertise and leadership experience to bear on RBC Dexia's enterprise-wide risk management strategy and framework. He is also a member of our group executive committee, underscoring our commitment to a strong risk-averse environment.

From an oversight perspective, RBC Dexia conducts regular service auditor reports including the Report on Key Internal Controls and Safeguards (CICA Section 5970 / AICPA SAS 70 Audit), SAS 70 and GS007. The

key controls related to specific functions such as custody, fund accounting and transfer agency are tested either annually or semi-annually by our external auditors.

Clients can take comfort in knowing that RBC Dexia has rigorous procedures and protocols in place for all products and services. For example, our network management team employs a highly disciplined methodology for the management and monitoring of all elements associated with our subcustodian network, comprising more than 90 agents. The Continuous Risk Assessment model includes a detailed credit risk questionnaire that focuses on various financial ratios. And we have among the most stringent risk assessment and mitigation policies in the securities lending industry.

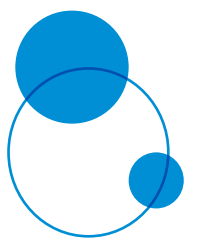
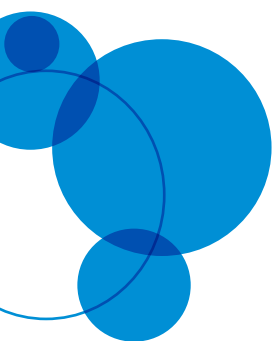
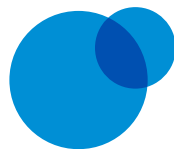
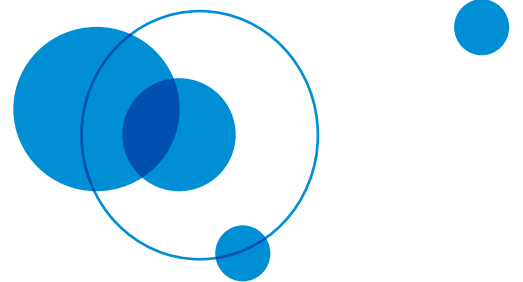
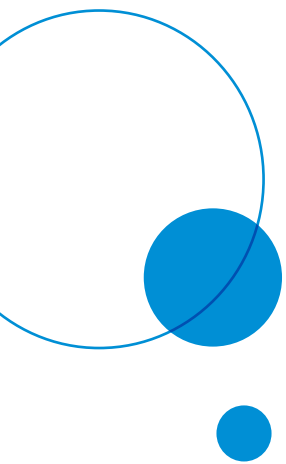
RBC Dexia's securities lending program is structured and managed with one clear objective – to realise the securities lending potential in our clients' portfolios while remaining within their risk tolerance framework, with no disruption to their investment management process. This

approach is supported by four defining principles: maximising risk-adjusted returns; maintaining operational transparency and efficiency; comprehensive risk mitigation and management; a personalised, long-term partnership approach to client relationship management.

With RBC Dexia's conservative risk profile, highly liquid balance sheet, high borrower diversification, insistence that all loans are pre-collateralised and very low levels of credit/liquidity/market risk exposures, securities lending clients did not experience any material impact as a result of the financial market conditions in 2009.

Regular employee training is another essential component of RBC Dexia's risk management program. During 2009, all of our employees were required to complete an online training module on anti-money laundering, along with an updated code of conduct program.

Innovation & integration



Investment in technology

Innovation & integration

Underpinning all our efforts to provide an exceptional and meaningful client service experience, is technology. Our unique combination of sophisticated systems, processes and customised solutions work in balance to ensure the timeliness, accuracy and responsiveness that defines and differentiates RBC Dexia's client partnerships.

Our systems continue to evolve and grow in response to changing trends, regulatory requirements and, more importantly, our clients' needs. And all developments respect and safeguard the confidentiality of our client's information. We are pleased to profile several of the technology initiatives underway that will serve to both improve operational efficiency and help clients achieve their ambitions.

Shareholder services

RBC Dexia's proprietary transfer agency (TA) platform has been enhanced over the course of the year to achieve even greater levels of operational efficiency. Following a detailed process analysis, we further automated

incoming data flows from clients, complemented with more rigorous control mechanisms to significantly reduce exception repairs. In addition, during the latter part of 2009, we initiated a transfer agency reporting initiative, which will see the introduction in 2010 of a series of reporting templates offering clients a greater level of flexibility in user-friendly formats. RBC Dexia's TA platform is designed to provide clients with the opportunity to fully integrate our processes with their internal processes.

Client integration

RBC Dexia's chief information office (CIO) focused on the implementation of global solutions to simplify the manner in which client requirements were assessed. This more streamlined approach contributed to the more efficient and cost effective development and delivery of IT solutions for clients.

In partnership with stakeholders across RBC Dexia, the CIO developed and implemented 'industrialised' technology, which promotes a harmonised

and consistent approach to straight-through processing (STP) and reporting in regard to client integration and onboarding. As a result, RBC Dexia successfully integrated a significant number of large global fund clients throughout 2009, while maintaining our focus on quality and client service excellence.

Custody

RBC Dexia continues to reach new milestones in the development of a fully-integrated custody platform, designed to encompass all aspects of custody including securities trades, cash processing, entitlements and tax management. Delivery of the core platform components is now complete and we're entering the testing and integration phases. The solution will be released to the market in a carefully phased process.

Global derivatives

To better accommodate the complexities of derivatives processing, RBC Dexia has developed a new system that will provide coverage for all instruments (e.g., OTC and investment finance). The platform combines a full suite of tools for designing and valuing complex investment baskets with integrated workflows for all key processes. We are currently performing non-integrated testing on workflow and building interfaces for trade loading, market data, custody, fund accounting, reconciliation and reporting.

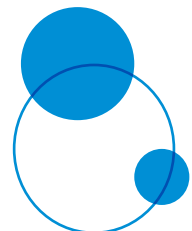
Currency overlay

RBC Dexia is supporting our clients' currency overlay requirements through the delivery of transparent, flexible and efficient passive hedging solutions for parent funds and share classes. To this end, we continue to advance the development of a fully integrated end-to-end global passive overlay FX service. Testing for the first phase deployment of a dedicated currency overlay system has begun, which will ultimately accommodate passive currency overlay solutions in a highly automated, transparent and flexible manner. Combining complementary value-added

currency capabilities with our suite of core and ancillary services reflects our ongoing support of the growing and complex needs of our clients worldwide.

RBC Dexia Online

RBC Dexia Online is well into production and the client migration program is fully under way. We continue to develop innovative capabilities and are currently working on the introduction of new functionality, including a dashboard to highlight transactions that require approval or repair. We recently previewed RBC Dexia Online with one of our major Canadian pension clients and it was received with great enthusiasm. "RBC Dexia showed us an excellent tool. We are eager to use it."



Global integration

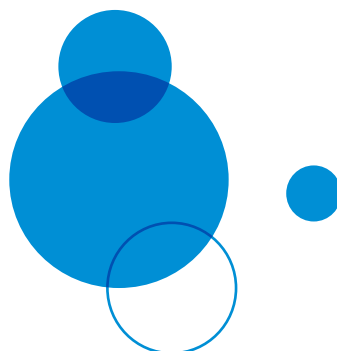
Innovation & integration

In the early part of 2009, RBC Dexia strengthened its operating model to reflect a global business that closely matches the needs of its clients. The transition included a strategic re-orientation of leadership functions, enabling the company to further build on the successes achieved since its creation in 2006. From an operations perspective, this realignment has furthered the development of a common set of functions globally, including standardised processes and measurement models. As markets evolve, this evolution to a global operating model will ensure we stay at the forefront of changes in the marketplace and effectively deliver the level of excellence our clients demand and expect.

RBC Dexia has office locations in 16 markets on four continents. Our Malaysian unit was the most recent addition in 2008—designed as a centre of expertise to effectively accommodate certain processing requirements within a favourable time zone. The office in Malaysia has become one of our key

processing hubs, offering clients enhanced 24-hour coverage and increased operational efficiencies.

“Commitment is very strong, especially at senior levels.”



Shaping tomorrow

Innovation & integration

Regulatory landscape

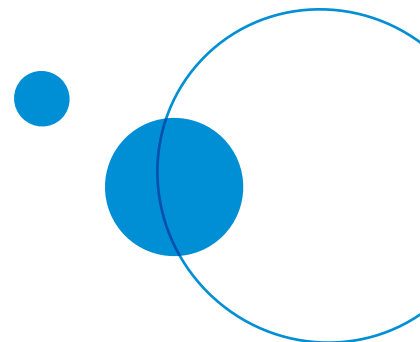
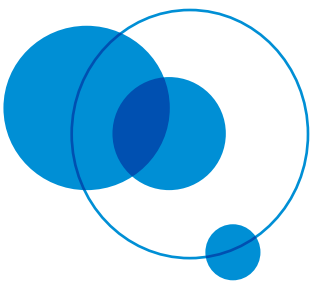
The regulatory dialogue that dominated the industry in 2009 will continue to command attention in the coming months. RBC Dexia is closely monitoring two key areas of focus. UCITS IV continues to evolve and is designed to facilitate the cross-border distribution of funds in the EU and increase the overall competitiveness of EU funds and the asset management industry. And Target 2 Securities (T2S) undertakes to create an integrated securities settlement platform in the Eurozone by 2014.

Other themes have emerged in response to exceptional circumstances and political urgency, such as the draft Alternative Investment Fund Management Directive (AIFMD) aimed at creating a regulatory framework for alternative fund managers and funds in Europe. There is also ongoing debate around increasing depository liabilities for custodians in the wake of the Madoff scandal.

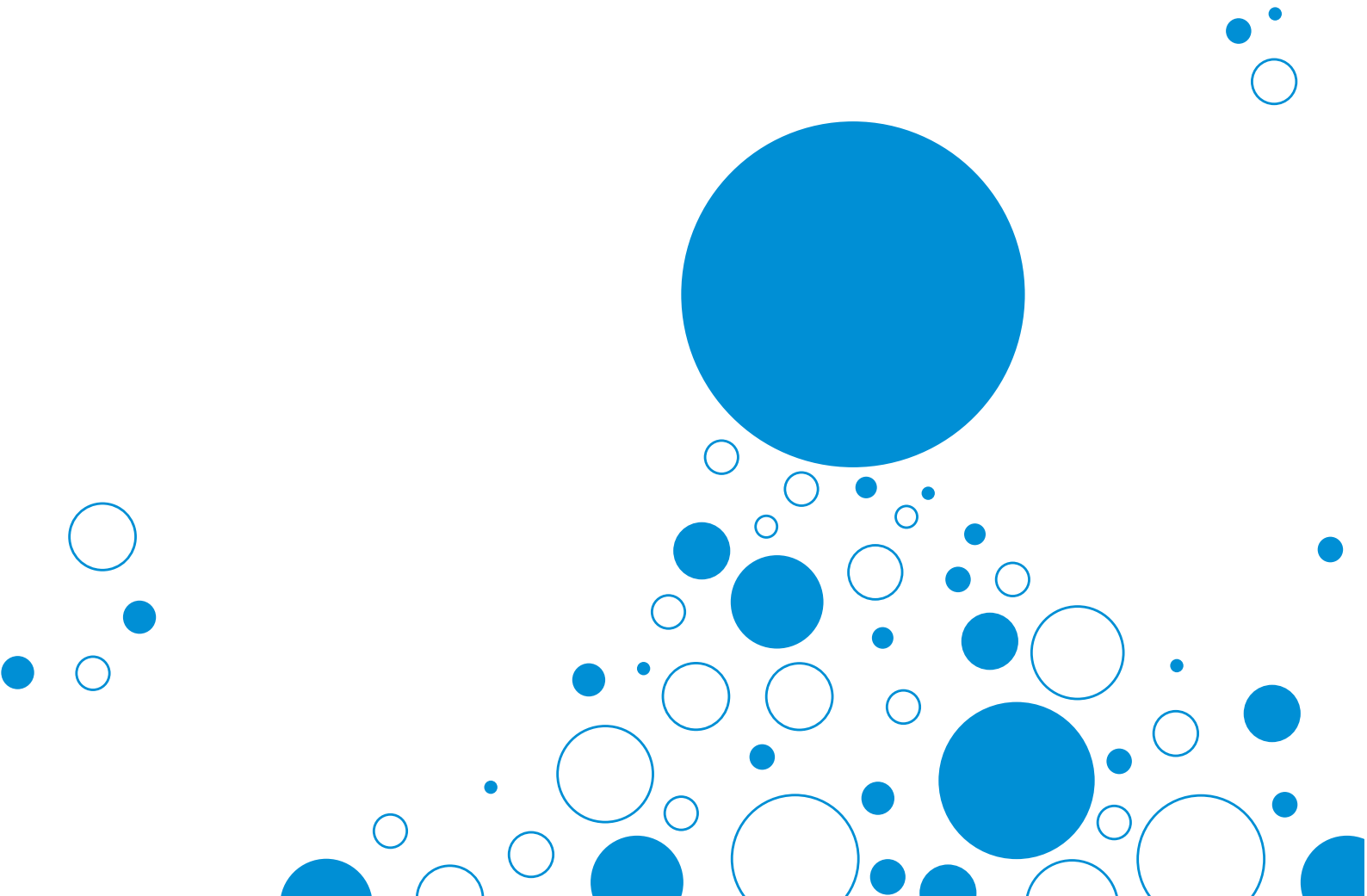
All these issues have the potential to fundamentally alter the market environment. But the most meaningful change will be achieved with new frameworks that are well designed, based on an in-depth understanding of the implications and supported by comprehensive dialogue with industry participants. Jean Michel Loehr, Chief Industry & Government Affairs Officer, is providing RBC Dexia with expertise on policy development and impact analysis, as well as leadership in industry and government relations.

Business growth

As we strengthen our position in the markets in which we currently operate, RBC Dexia continues to give serious consideration to entering other key fund markets that would support our global growth strategy and enable us to meet the requirements of our clients, including the US, Germany, Taiwan and South Korea. We are currently reviewing and pursuing a number of opportunities that we believe will enhance our global franchise. Throughout the process, our parents, RBC and Dexia, remain committed to supporting our growth aspirations and building our business through acquisitions.



Achieving your ambitions



Client service focus

Achieving your ambitions

Much of the success RBC Dexia has achieved to date is based on the strength and depth of our multi-level client relationships. We take care to invest in and closely manage our client relationships—all in an effort to support our clients as they drive forward to fulfill their ambitions.

Ours is a disciplined, customised approach. And at the foundation are RBC Dexia's guiding principles of integrity, excellence, collaboration and creativity. Even throughout the ups and downs of global markets, RBC Dexia has remained focused on our clients, providing a level of service that reflects our strong sense of purpose.

Developing a detailed understanding of our clients' unique needs provides clarity of direction and focus for the future. Our Client Consultation Surveys are integral to the process. Since 1999, we have regularly surveyed clients in order to: measure satisfaction; identify shifts in client priorities and satisfaction and pinpoint opportunities for service enhancement. And in 2009 we conducted two such surveys with Canadian clients. The results reflect particularly

high levels of client satisfaction, with 86% and 82% of clients surveyed rating their satisfaction as '4' or '5' on a five-point scale. The survey process includes the careful assessment of all recommendations followed by business-specific action plans. In 2010, we will be surveying clients of all other jurisdictions.

To support our clients' need for timely and responsive service, RBC Dexia employs a sophisticated client management system (CMS) that incorporates query tracking functionality, ensuring that client inquiries are promptly acknowledged, assessed and satisfactorily resolved. In 2009, our CMS client user community grew to over 3,000 users worldwide. Throughout the year, more than 250,000 queries were captured and tracked—an increase of 20% over 2008. This robust system is an established component of our client service approach and will continue to be deployed in an increasing number of jurisdictions.

Industry initiatives

In a world where regulatory frameworks are changing rapidly, we are living with a degree of uncertainty, so it is essential to keep abreast of trends and developments that may impact current business and operating models. To protect our interests and those of our clients, RBC Dexia considers it a critical activity to participate in industry initiatives, issues and debates. By making our voice heard, we're helping to shape our future—one that allows business to thrive and develop in a well regulated and secure environment. More so than ever before, we're engaging with market participants to ensure we're positioned at the forefront of proposed changes. We then closely examine the details to assess and understand the implications and share this intelligence and insight with our clients.

We continue to leverage our cordial and longstanding relationships with regulators and associations in key markets worldwide. In 2009, RBC Dexia created a dedicated function designed to increase and coordinate our efforts with regulators and other influential market participants under the

Client service focus

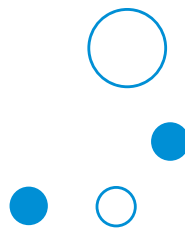
leadership of Jean-Michel Loehr, Chief Industry and Government Relations for RBC Dexia.

RBC Dexia is affiliated with more than 140 industry associations worldwide, including Associations of Global custodians, Association of Luxemburg Funds (ALFI), and International Securities Lending Association, to name a few. Commitment to, and involvement in, the investor services industry has given us the opportunity to share our perspectives globally—through participation in international panel discussions, industry articles and other public forums.

One recent highlight was our proactive participation in the depository debate, in which we submitted a comment paper directly to the EU Commission during their consultation period in the summer of 2009. In another example, during a September 2009 meeting of the Canadian Association of Pension Supervisory Authorities (CAPSA), RBC Dexia was recognised as having the most thorough contribution monitoring process for pension funds. We have since been invited to consult with the CAPSA subcommittee on ways to improve pension regulation across the country.

This level of engagement, combined with our expertise on current trends and issues is reflected in our growing

series of technical publications and insightful guides on topics ranging from UCITS IV and securities lending to distribution support and pensions. Sharing the latest industry intelligence with our clients is just one way that we're lending tangible support to our clients' strategic objectives and broader ambitions.



“They are dedicated, knowledgeable, enthusiastic professionals who are keen to work with you as a team.”

Quality & excellence

Achieving your ambitions

At RBC Dexia we enable our clients to achieve their ambitions by building sustainable relationships and delivering exceptional experiences. The global Quality+ program has contributed to our effectiveness in achieving that goal. Yves Lahaye, Head, Change and Effectiveness, explains, “As a client-centric organisation, we aim to keep pace with, and even anticipate, our clients’ evolving expectations for quality, accuracy and timeliness. To do this we have introduced a series of initiatives under our global Quality+ program, which focuses on four key principles: inform, monitor, train and implement.”

- **Inform:** Raise awareness of employee commitment and success. For example, the first global Quality+ online magazine was introduced in November 2009, which describes and showcases employee quality initiatives.
- **Monitor:** Track improvement through Key Quality Indicators. Quality+ meetings are conducted globally, enabling employees to track progress and issues.
- **Train:** Focus on problem solving and continuous improvement techniques. A new global Q+ Academy e-learning module will be available for all employees in the first half of 2010.

- **Implement:** Empowered and motivated project teams lead to successful implementations. Success is measured objectively by a set of global key quality indicators.

According to Yves Lahaye, “Improving quality is a continuing theme in our organisation. The “Quest” quality initiative began in Canada over 20 years ago and we have been building on its success ever since. Today, Quality+ is one of our key strategic levers for growth as we follow the changing needs of our clients, and establish RBC Dexia as their partner of choice today and for years to come.”

Accolades

RBC Dexia has been ranked in the top quartile of a number of independent international surveys. Recent awards include the following:

Global Investor (2009)

- #1 overall for quality of global custody services for a record sixth consecutive year
- #1 by the billionaire’s club
- #1 overall for Americas (unweighted)
- #1 overall for EMEA
- #1 by institutional asset managers
- #1 mutual fund manager (unweighted)

- #1 by institutional fund managers Americas (unweighted)
- #1 by Institutional fund managers EMEA
- #1 by pension funds (unweighted)
- #1 sole overall for Americas (unweighted)

R&M Survey (2010)

- #1 provider of global custody services in the UK
- #1 provider of global custody services in the Europe
- #2 overall provider of global custody services (up from #3 in 2009)

Global Custodian (2009 & 2010)

- #1 by fund managers
- #1 service provider in Europe
- #1 provider to companies with between \$1-10 bn in assets in custody
- #1 service provider to companies with less than \$1 bn in assets in custody
- Top-Rated for custody services in Canada, in all three survey categories
- Top-Rated for custody services in Spain

Funds Europe (2009)

- European Transfer Agent of the Year



Employee experience

Achieving your ambitions

With more than 5,300 employees in 16 countries across four continents, RBC Dexia's diverse workforce has a unique richness in culture and global expertise – one that's dedicated to client service excellence and support. We believe the experiences of our employees are as critical as those of our clients, keeping them engaged and motivated to succeed. Because we know that their success translates into our success.

In 2009, we launched a number of initiatives designed to enhance and develop our employees' experience. Signaling a new phase in our organisation's maturity, we rolled out a new brand that highlights our purpose, bold ambition and guiding principles, and connects our employees globally around our goals and behaviours.

We completed the evolution of our global operating model, streamlining our structure to give employees clearer global roles, encourage collaboration, and reinforce our purpose to enable our clients achieve their ambitions. And facilitating this renewed focus, employees from five office locations in Toronto transitioned to RBC Centre—hailed as Toronto's

most innovative and environmentally friendly tower. The immediate effect has been improved communication and collaboration between our teams. For additional information, refer to the article in 360, our new online magazine.

And, in keeping with our new employment brand, we focused on enhancing our career, workplace, benefits and rewards programs to better support RBC Dexia's goals and priorities and our employees' needs.

Career

To attract and retain employees of the highest calibre, we strongly support ongoing career development. RBC Dexia's programs give employees a path to opportunities for professional and personal growth that matches their aspirations and contributes to an enriching professional life.

[Our employees create those exceptional client experiences that are so fundamental to our purpose. Their development, performance and well-being are priorities that we're committed to maintaining.](#) - Mary Jane Boxall, Director, Global Learning and Development

In 2009, we launched Campus to employees worldwide. The online learning tool gives employees consistent access to learning opportunities so they can shape their careers at RBC Dexia.

And to develop our leadership expertise, we created a global communication program, to support our leaders in communicating more consistently and effectively with employees across our organisation.

Workplace

Our employees' workplace significantly impacts their experience and satisfaction. To foster a fair, flexible and open environment, we created global and local programs that respect our diverse community while cultivating a common RBC Dexia culture.

Wellness programs continue to expand globally, as part of RBC Dexia's commitment to promote our employees' health and well being.

Wellness at RBC Dexia includes local initiatives like workplace yoga classes and discounted gym memberships, all designed to motivate employees to stay healthy and enjoy a balanced lifestyle. ~ Kristina Albion, Manager, Pensions & Benefits

In 2009, RBC Dexia saw additional benefits of our innovative Catalyst Awards program, which recognises employees who embody our culture of service excellence, innovation, leadership, teamwork and business mindset.

Benefits

RBC Dexia offers a competitive range of benefits that go beyond the basics to provide a supportive environment for our employees, at each stage of life. This encompasses employee care programs, flexible benefits, and pension plans and retiree benefits in addition to compensation.

Rewards

Our rewards philosophy is based on supporting a culture of high performance. From competitive earning potential to significant employee rewards, we believe exceptional efforts deserve to receive real recognition.



Insights & leadership

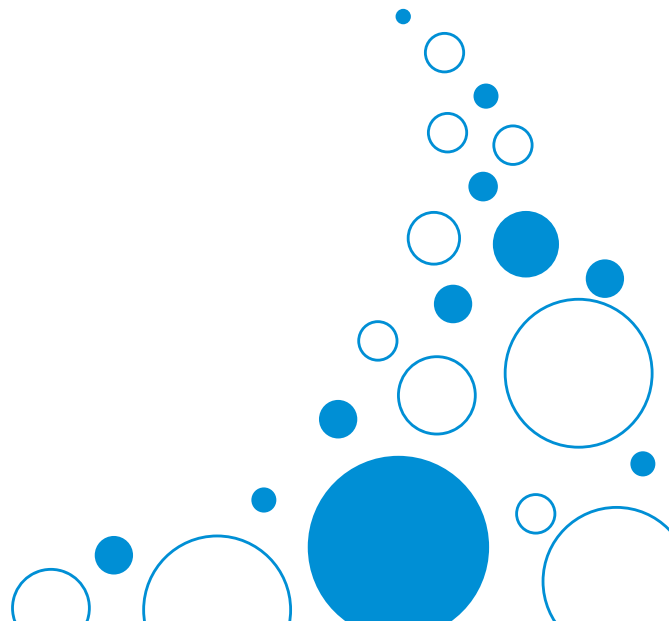
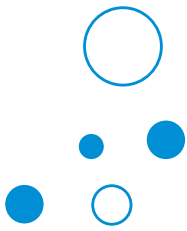
Achieving your ambitions

Knowledge is a powerful tool. And throughout 2009, RBC Dexia developed an extensive series of information resources—ranging from partnered research, quick polls, guides and white papers to our feature proprietary publications, Perspectives and 360—all designed to provide clients with insightful commentary on relevant issues and trends to help them shape and enhance their businesses.

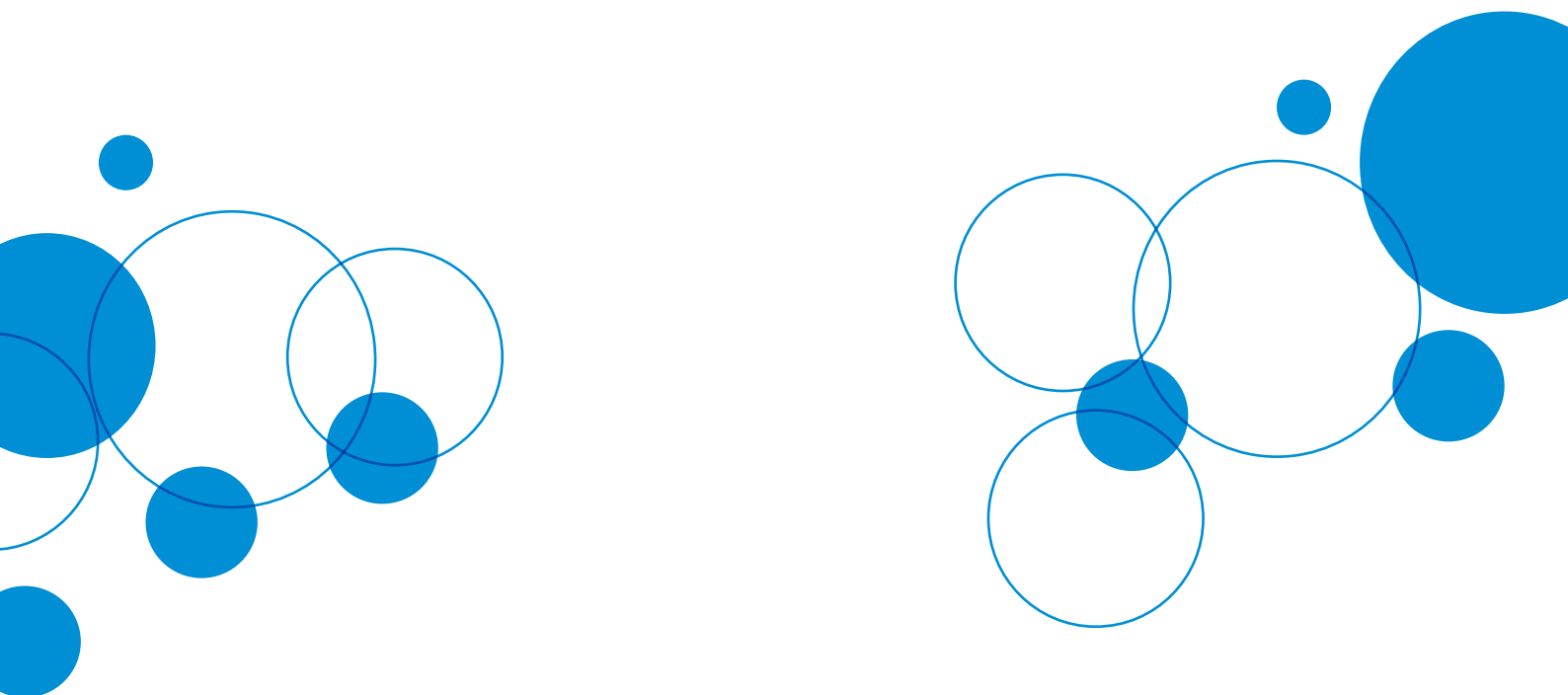
Feature publications in 2009 are all accessible on the RBC Dexia website and include:

- **Perspectives** - Four editions of Perspectives were launched throughout 2009, featuring the thought-provoking views, opinions and commentary of global money managers and other business leaders on the issues and trends shaping investment management and financial services
- **Quick poll: A wake-up call for Canada's pension system** - RBC Dexia surveyed Canadian defined benefit plans sponsors for their opinions and perspectives on the current state and future prospects of Canada's pension systems.
- **UCITS IV: Which business model for tomorrow?** - Working with KPMG, RBC Dexia launched a major study in assessing the likely impact of forthcoming UCITS IV implementation in 2011 and the opportunities and challenges it presents
- **Quick poll: Securities Lending - Prudent approach prevails** - RBC Dexia surveyed beneficial owners and market intermediaries around the world to better understand how this new economic reality, marked by fewer players, unpredictable performance levels and a heightened focus on risk, was impacting securities lending.
- **A practical guide to outsourcing partnerships** - In this step-by-step guide, London-based Kingston Smith Consulting LLP explores 11 key topics to consider when making the decision to outsource.
- **Demystifying Securities Lending** - Without question, the credit crisis and changing market dynamics have had an influence on securities lending programs worldwide. In this report, RBC Dexia explores the challenges that exist today including market impact, and the controversy surrounding the temporary regulatory restrictions on short selling,
- **Towards the next generation: Moving from UCITS III To UCITS IV** - The funds landscape is changing, with UCITS IV set to be introduced in 2011. The launch will introduce new regulations designed to strengthen the existing UCITS brand and ease the path for cross-border fund mergers and distribution. This guide highlights the proposed changes.

To further demonstrate our insight and leadership, RBC Dexia engages with the media, participates in industry roundtables and presents at major industry events worldwide. Our pre-event information provides conference details, highlights RBC Dexia's participation and includes other materials relevant to each event.



Charitable & community support



Charitable initiatives

Charitable & community support

RBC Dexia's commitment to making a difference on behalf of our clients, employees and communities extends to include charitable giving. Our program's guiding principles and eligibility criteria reflect the energy and forward thinking we believe are at the core of our culture: a focus on causes that benefit children and youth, support emerging needs as well as direct investment in programs that have an immediate, positive impact on our communities.

The following are some highlights of our 2009 program:

Hope for Children, an organisation dedicated to disabled, orphaned, poor and exploited children all over the world, was founded to fill the gaps among larger children's charities. This year's partnership with RBC Dexia provided funding for projects in 30 countries that delivered interventions for thousands of children who would otherwise have been left to fend for themselves.

We also renewed our support of Worldwide Orphans Foundation, providing services to nine orphanages in Bulgaria in 2009. Our dollars were used to support a variety of projects including granny programs, toy libraries and the training and mentoring of psychologists and staff working with 200 children.

In Canada, we continue to work with Pathways to Education, an organisation that works to keep disadvantaged youth in

high school and on the path to a better life. Our support includes a summer internship program that helps students make a successful transition from school to employment - in fact, we hired a number of interns at our own office in Toronto with excellent results.

Theatre Peckham is a UK-based charity that offers arts education and training to children and youth in an economically disadvantaged area of London. The learning experience even extends to participation in theatre productions with top-level professional actors. This year's donation from RBC Dexia funded courses, uniforms, audition coaching and theatre visits, as well as the replacement of the charity's van, which was destroyed by fire.

We are also a global partner of the Theodora Foundation, a charity that trains and maintains a team of 162 "clown doctors" in 90 cities

on two continents. These professionals work in hospitals to bring joy, laughter and hope to sick children in otherwise stressful and frightening circumstances. RBC Dexia's donation had an impact on 260,000 children in 2009 through its funding of training, psychological support, travel and the purchase of props and costumes.

In support of all of these charitable partnerships, we encourage our employees to enhance the impact of our gifts by getting involved in the charities' events and programs. In some cases, we also share our skills by assisting our charitable partners with advice on the set-up and operation of financial systems.

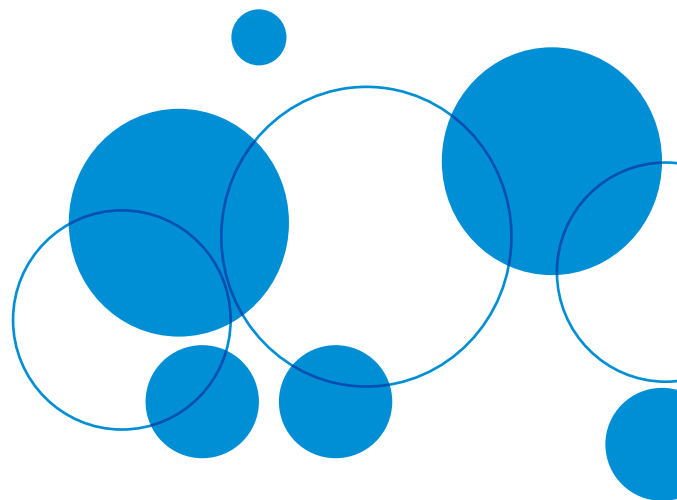
We are pleased that our chosen charities appreciate the financial support but much prouder of their regard for us as essential partners in the achievement of their goals. As one charity executive put it, "Our partnership with RBC Dexia

Charitable initiatives

is much more than the funds that are raised. We can clearly see the benefits that have been realised from personal commitments to our mission - much more than any normal corporate relationship can bring.”

The RBC Dexia Charitable Giving program also makes grants of up to CAD 500 available for charities to which our employees dedicate their time and talents as volunteers. And a third stream of the program supports donations to community-based charities recommended by our staff members.

We look forward to continuing this important work in the coming year.



Olympic spirit

Charitable & community support

RBC Dexia staff frequently offer their time and talent to charities and service organisations as volunteers. For three employees in Vancouver, though, volunteering took on Olympic proportions as they helped welcome the world to the 21st Winter Games. Clearly, it was the experience of a lifetime:

“Aside from the outpouring of Canadian patriotism, I think the positive energy generated by the thousands of enthusiastic volunteers will be my personal legacy from Vancouver 2010. Whether standing outside in the pouring rain directing traffic or sleeping on a boardroom floor as I did, the volunteers deserve a gold medal for their outstanding performance.”

Cameron Falconer, RBC Dexia,
Vancouver

“My duty was mainly driving IOC members and other Olympic family members to or from various venues. Among my personal highlights was singing O Canada with my fellow volunteers after our team won the gold medal in men’s hockey.”

Ming Wong, RBC Dexia,
Vancouver

“As I drove IOC members from various countries, sponsors and their families around the Olympic site, they often talked about the beauty and cleanliness of the city and the friendliness of its people. It gave me a tremendous feeling of pride and I would do it again in a heartbeat. In fact, I signed up as a volunteer for the Paralympic games as well!”

Darlene Orstad, RBC Dexia,
Vancouver

