

From: DiCandia, Luana
Sent: Friday, November 04, 2011 9:32 AM
To: policy@issgovernance.com

Subject: Comments re Evaluation of Executive Pay (Management Say-on-Pay) Proposal

Comments re Evaluation of Executive Pay (Management Say-on-Pay) Proposal (U.S./Canada):

Royal Bank of Canada (RBC) has been closely monitoring developments relating to methodologies for assessing alignment of CEO compensation and company performance, based on views expressed by investors and guidance of global regulators. We have reviewed your proposed revised methodology for analyzing pay-for-performance alignment, and we note that this methodology relies on the availability of compensation decisions and company performance results of other institutions in the peer group (as chosen by ISS). In RBC's case, the peer group information of other Canadian financial institutions in which the proposed methodology relies on would not be available until well after we release our proxy, and as little as days before our annual general meeting is normally held. Our concern is that this would not provide ISS sufficient time to apply the proposed methodology and provide a voting recommendation. We would also appreciate more information on the selection criteria of the peer group chosen by ISS, particularly whether it would include domestic only, or international peers as well.

We appreciate the opportunity to comment on this proposal.

Best regards,
Luana DiCandia

Luana DiCandia | Senior Counsel, RBC Law Group | **Royal Bank of Canada**