

CORPORATE
SOCIAL
RESPONSIBILITY
REPORT
2018

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ABOUT THIS REPORT

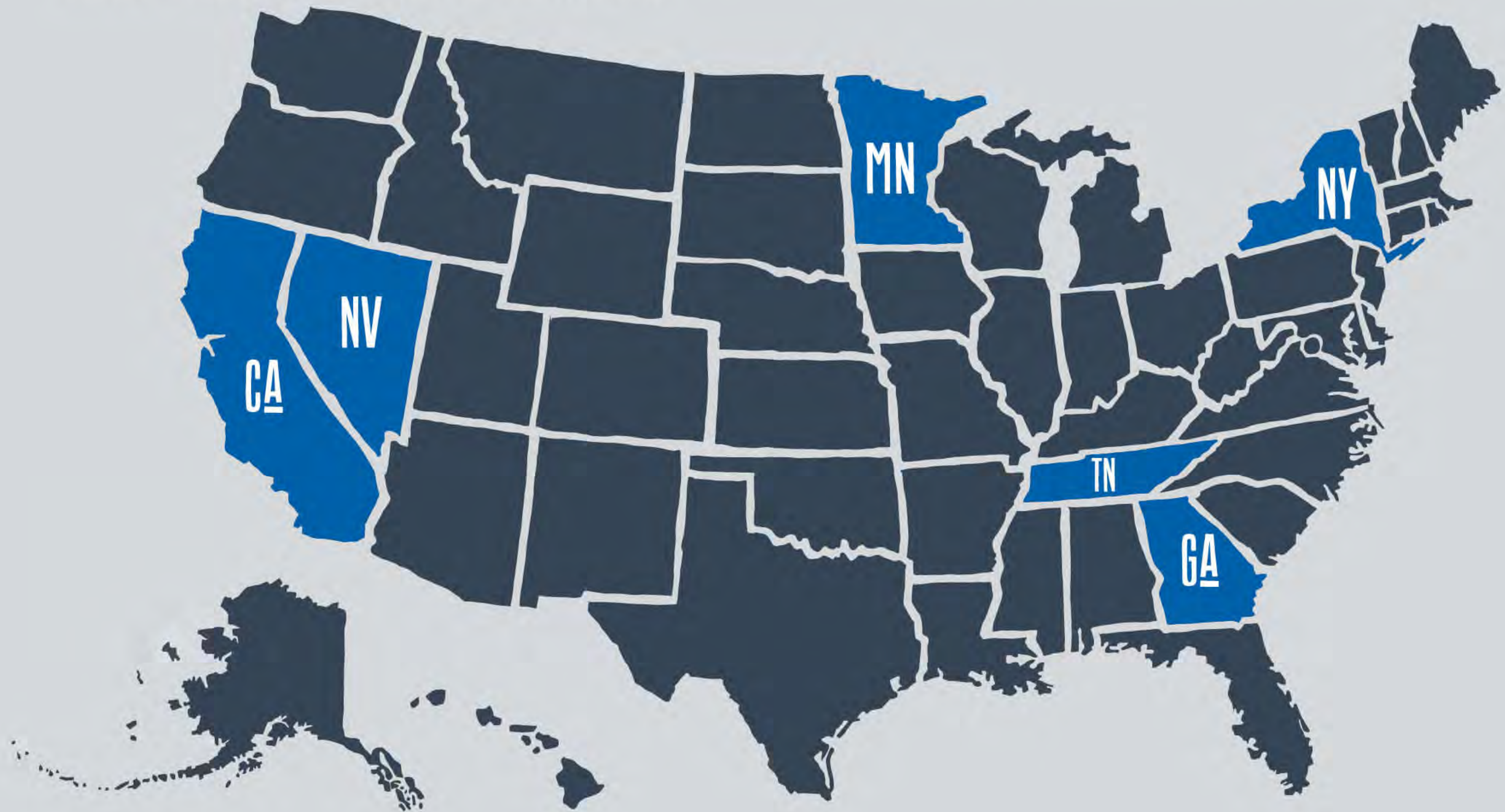
All data in this report reflect activities undertaken during the 2018 fiscal year (November 1, 2017 to October 31, 2018) unless otherwise noted. Figures that pertain to the Community Reinvestment Act are reported on a calendar year basis, for consistency with other CRA reporting. These are indicated in footnotes throughout this report. Where possible, we have provided information for 2016, 2017 and 2018 in order to give readers a view of trends in our performance. All data reported here are validated with subject matter experts both within and outside City National.

ABOUT CITY NATIONAL BANK

OUR PROFILE

Founded by a small group of local entrepreneurs in 1954, City National Bank holds \$51.1 billion in assets and provides banking, investment and trust services through 71 offices, including 19 full-service regional centers in Southern California, the San Francisco

Bay Area, Nevada, New York City, Nashville, Atlanta, Minneapolis and Washington D.C. In addition, the bank and its investment affiliates manage or administer \$71.7 billion in client investment assets.



City National Bank is a subsidiary of Royal Bank of Canada (RBC), one of the largest banks in the world based on market capitalization. RBC serves more than 16 million personal, business, public sector and institutional clients through offices in the United States, Canada and 33 other countries.

WHAT WE STAND FOR

We strive to have a positive economic, environmental and social impact and to provide responsible leadership wherever we operate. Our values reflect the great “pride” we take in what we’ve achieved as a company. For City National Bank, pride isn’t just an idea in and of itself. P.R.I.D.E. also stands for the set of values.



PEOPLE Working together effectively as a team on behalf of our clients, our shareholders, our colleagues and our communities; investing in our professional development and recognizing and celebrating our success. **RELATIONSHIPS** Understanding, anticipating and responding to our clients’ and colleagues’ needs with speed, expertise and courtesy. **INTEGRITY** In valuing diversity, communicating openly and maintaining high professional and ethical standards. **DEDICATION** To achieving profitability and planned goals, delivering quality service and expertise and intelligently managing risk. **ENTREPRENEURS & EXCELLENCE** Working as entrepreneurs – taking responsibility for getting it done, pursuing innovation and better ways of doing business and delivering with excellence in everything we do.

OUR PRODUCTS & SERVICES

Commercial Banking
Private Banking
Preferred Banking
Small Business Banking

Wealth Management
Services for Professional Firms
International Banking
Treasury Management Services

Entertainment Industry Services
Real Estate Services
Online Services

RECOGNITION

WE FEEL PRIVILEGED TO HAVE RECEIVED THESE HONORS



Forbes Best Employers
for Diversity



THE TECHNOLOGY SUSTAINABILITY COMPANY

Switch sustainability certificate for using 100% Renewable Energy within the Switch ecosystem. [See page 58 for details.](#)



LEED-Platinum designation for
City National Plaza in Los Angeles



Greenwich Associates: 2 Best Brand Awards
and 14 Excellence awards for outstanding service
to clients. [See page 50 for details.](#)

CHAIRMAN'S MESSAGE

Dear Stakeholders,

I have long maintained that to serve a community one must be part of that community. For City National Bank, being part of the community is to be connected, to be involved and – most importantly – to contribute.

This is the fourth annual CSR (Corporate Social Responsibility) report we have undertaken. We publish these documents for our stakeholders as a means of chronicling the ways in which we participate in the communities we serve. Our CSR efforts are a great source of pride for our colleagues and this report is as much about their CSR efforts as our corporate initiatives.

2018 IN REVIEW

This past year was an excellent one for our company and our colleagues. We made real and measureable progress towards realizing our CSR aspirations:

- We continued to execute on our five-year, \$11 billion community lending and investment commitment.
- We touched and improved the lives of many people through our literacy and financial literacy community programs, many of which are staffed by our colleagues who volunteer their time.
- We delivered meals and medical services to the elderly in various communities including New York and Las Vegas.
- We found a like-minded strategic ally in the Los Angeles Clippers Foundation with whom we partnered on a number of initiatives including helping young people with their math skills (*Math Hoops*) and coding abilities and even helped teenage women get outfitted with new dresses for their high school proms.
- We promoted redevelopment and community revitalization through partnerships with community groups and we made a positive impact on the economy by supporting small businesses.

This past year was my last as CEO of City National, though I will be staying on as Chairman. I joined the bank in 1978 and had the privilege of assuming the CEO role in 1995. Over the years, we have faced many challenges – including the economic downturn that began in 2008 and has so affected the financial services industry. But despite these challenges we prospered as a commercial enterprise and made meaningful contributions to our communities.

I am especially proud of what our colleagues have accomplished. Our assets have grown to more than \$50 billion and we have 71 offices in six states plus Washington, D.C. Our colleagues number nearly 5,000 and, together with our investment affiliates, we oversee client investment assets of \$71.7 billion.

Equally impressive are some of our CSR accomplishments. Since early in new millennium:

- Our colleagues have volunteered 265,645 hours;
- We have given more than \$75 million in grants to 7,269 organizations, with close to \$11 million going directly to education;
- Close to a million kids have benefitted from our *Reading is the Way Up*® literacy program;
- We have given \$1.6 million to teachers;
- We have given more than \$1 million in disaster relief.



These achievements speak to City National's rock-solid commitment to make a difference in the communities it serves and shows our colleagues in action to deliver on our promises."

I am delighted that Kelly Coffey has agreed to take on the role of CEO for City National Bank. She is a highly regarded executive who I believe will do great things for the bank and will continue to strengthen and promote our CSR activities.

With best regards,



RUSSELL GOLDSMITH

CHAIRMAN & CHIEF EXECUTIVE OFFICER




IN CONVERSATION
WITH CEO

KELLY COFFEY

ON FEBRUARY 1, 2019, KELLY COFFEY ASSUMED THE ROLE OF CEO OF CITY NATIONAL BANK. HERE, SHE SHARES HER PHILOSOPHY OF CORPORATE SOCIAL RESPONSIBILITY.


Q. *What does corporate social responsibility mean to you? What is a company's responsibility to society?*

 It really comes down to doing what's right... for clients, colleagues, communities and shareholders. I think of social responsibility as a company's character – the set of principles and ideals that guides it. We are only as strong as our communities and investing in them is good for everyone.

Banking is all about trust and that's something we earn by demonstrating integrity – over and over again – with every transaction, every communication and every business decision.

It starts with the way we treat our colleagues. That's why we're committed to paying competitive compensation, offering good benefits, promoting diversity and giving colleagues opportunities to fulfill their potential. We also work hard to recognize and reward the right types of behavior – ethical business practices, sound decision making, community involvement and environmental stewardship.

Q. *Since becoming CEO, what are your initial impressions of City National's CSR efforts?*

 I think we do a good job. We're more than halfway through the \$11 billion community lending and investment commitment that we made when we announced the merger with RBC. We've already exceeded the goal we set for funding residential mortgages for minority borrowers, which is really wonderful. And our branch in the Crenshaw area of Los Angeles has helped us strengthen our connections to the black and Latino communities.


I've also been impressed by how generous our colleagues are. They contributed close to \$1.6 million to this year's United Way campaign... a single campaign. That's pretty remarkable.

But above and beyond the financial support, I'm more impressed with the time they spend helping others. In 2018, our 5,000 colleagues volunteered an average of 6 1/2 hours each. I've met colleagues who mentor kids, run to raise money for charities, cook at homeless centers, babysit at shelters for battered women... you name it. Our colleagues aren't just writing checks. They're showing up. They're rolling up their sleeves and getting things done. That says a lot about our culture.

Every day, I hear examples of how City National tries to do the right thing in its business dealings. Remember, this is a company that refused to make subprime mortgage loans in the days leading up to the financial crisis. We actually lost a few clients, but it was because our people didn't think those loans were in the clients' best interests. And they were right!

These examples reflect our commitment to doing what's right. We don't get it perfect every time, but I think we can be proud of our track record. It's good and getting better all the time.

Q. *What are your CSR priorities for City National?*


 Diversity and inclusion are top priorities for me. Diverse teams are more creative, more productive and more profitable. They're also more fun. I've increased the diversity of every group I've ever led and I'm extremely proud of that. We need to engage people with different backgrounds and

experiences. I'm proud that City National has been recognized for its commitment to diversity and inclusion and upholding that commitment is going to make a great company even better.

I also firmly believe that City National has a role to play in helping our communities prosper. In addition to making responsible loans and running literacy programs like *Reading is The way up*® and *Dollars and Sense*, we help our communities solve some of their most pressing challenges. That means supporting the development of affordable housing, delivering meals to home-bound elders, reducing our environmental impact, funding disaster relief and a lot more.

I also love the idea of putting our branches to work for the communities we serve. The Crenshaw branch is a great example. Our bankers there are making a difference in a neighborhood that has been underbanked for a very long time. They've been referring new entrepreneurs to the right resources to help get their businesses started. They've been sponsoring book fairs and coding camps for kids. They've been restoring parks. Our colleagues are really invested in their communities and we want to find ways to support them.

Q. *CSR is a broad term. It covers a lot of ground. How do you decide where to focus?*

 We want to put our resources where they can do the most good.

A bank like ours is only as strong as the communities it serves. That's why we'll continue to support causes that have a deep and lasting impact on the cities and neighborhoods where our colleagues live and work.

Social responsibility has to be sustainable. A good example of what I'm talking about is environmental stewardship. As the bank grows, we're looking for ways to lower our greenhouse gas emissions, conserve water and reduce environmental waste.

For example, when we were looking for a second headquarters in downtown Los Angeles, it was really important that it be a LEED Platinum-certified building. We also wanted a location near public transit so fewer colleagues would need to drive. But we're also doing the right things for our environment and the communities in all City National locations.

Social responsibility has been important to City National for a long time and it will remain a priority for as long as I'm CEO. At the end of the day, it binds us to the communities we serve... the communities where our colleagues live and work. And that's good business.

VALUE FOR SOCIETY



HELPING OUR COMMUNITIES PROSPER

As a responsible bank we are committed to having a positive impact on society and our fellow citizens. We support individuals and businesses whose success allows for the creation of new jobs. But we go beyond this virtuous cycle of economic prosperity to strengthen the community's very social fabric. Through programs such as *Reading is The way up*®, we use our resources to help individuals flourish and societies to prosper.

WE HEAR YOU.

Community engagement is an integral aspect of our culture and informs the way in which we do business and the types of services we offer. We have an ongoing dialogue with our stakeholders who live and work in our communities. As we do with our clients, we seek to understand their challenges and the ways in which we can help. We also share the bank's various community-based efforts with these stakeholders. This approach is supported and championed by our colleagues who themselves actively work towards greater community vitality.

FORGING CHANGE THROUGH

GLOBAL CITIZENSHIP

Volunteering has always been prominent in the bank's cultural mindset. This past year, a few of our community-minded colleagues made a life-changing excursion to a remote community virtually on the other side of the world.



The three City National colleagues who made the trip – Roberta McGaughey, Matt Ching, and Jennifer Nickerson (top left) – were winners of the 2018 RBC Global Citizen Award (GCA). The GCA rewards colleagues who actively work towards driving meaningful change in their daily lives and help their communities prosper.



INTO AFRICA

In 2018, almost 50 RBC/City National colleagues from North America, Europe and the Caribbean were selected through the GCA program to attend an all-expenses-paid, ten-day trip to Bogani Village in Kenya. While in Kenya, the colleagues had the opportunity to provide volunteer support to a WE village. WE Charity has been working in Southwestern Kenya for more than 15 years.

ADDRESSING GREAT NEED

“I understood we’d be helping on a build project and that we would have the chance to go on a safari,” says Jennifer Nickerson. “But I wasn’t prepared for what this experience would actually be. I was excited for the prospect of travel and adventure. What I got was so much more.”

The trio witnessed the great need there is in Kenya and came to appreciate the exceptional work of the WE Charity. Adds Jennifer: *“It was both inspiring and humbling. We visited many development projects the WE Charity has built with the local villagers: schools, libraries, hospitals, water projects, latrines, savings and loans, sustainable farms, and much more. They’ve worked with the communities to build infrastructure for long-term, sustainable success.”*

When meeting the ‘learners,’ as the Kenyan students prefer to call themselves, Roberta McGaughey was inspired by the gratitude, generosity and warmth of the locals. *“They took their education so seriously,” says Roberta. “They really want to excel and give back to their communities once they graduate. No one was attached to a cell phone or a video game.”*



They really want to excel and give back to their communities once they graduate. No one was attached to a cell phone or a video game.”

ROBERTA MCGAUGHEY

BREAKING THE CYCLE OF POVERTY

The Village elders believe that the efforts of the WE Charity will break the cycle of poverty in the community. *“By providing the opportunity to access quality education, healthcare, nutrition, clean water and a working financial system,” says Matt Ching, “I have no doubt that the WE program will achieve exactly what the elders hope for their future generations. The biggest take-away from the experience is my feeling of hope for the future.”*

A NATION’S CHALLENGES

- Almost 30% of Kenyans live on less than \$1.25 a day, which the World Bank classifies as extreme poverty.
- 26% of Kenyan children between the ages of 5 and 14 work as child laborers.
- 1/4 of Kenyan girls under the age of 15 are married.
- In Southwestern Kenya, 1 in 10 children dies before reaching their 5th birthday; 1 in 5 of those under 5 years of age suffers from chronic malnutrition.

ECONOMIC IMPACT

As a successful business we create value. As a responsible business, we distribute that value through a variety of means. Thus distributed, that value has positive economic impacts on our colleagues, our customers, our suppliers and our communities.

Many of our clients are entrepreneurs whose businesses – when made successful – generate jobs and drive economic value. We support these businesses through the financial services we provide and our various loan programs.

LENDING

KEY PERFORMANCE INDICATOR (\$ BILLIONS)	2018	2017	2016
Loan balances at year-end	\$34.1	\$30.7	\$26.9
New loans	\$7.7	\$7.9	\$6.4
Commercial and industrial loans	\$13.9	\$13.7	\$3.0
Residential mortgages	\$9.5	\$8.2	\$1.4

SAMY'S
SMALL BUSINESS WITH A
BIG STORY

Samy Kamienowicz emigrated to Los Angeles in 1957 to work for his uncle at Bel Air Camera. After nearly two decades, Samy and his wife, Hedy, opened their own full-service camera store, [Samy's Camera](#), in 1976. Samy's is a shining example of a business that started small and achieved success through hard work and an enterprising attitude.

Today, Samy's, a City National client, has more than half a dozen stores throughout California. The company's flagship store, on Fairfax Boulevard, features three floors stocked with photographic, video and electronics equipment and a busy rental counter for professionals.

SURVIVING CHALLENGES

Over the past three decades, Samy and Hedy have overcome many challenges including the 1992 Los Angeles riots, during which their store was torched and burned to the ground. *"We had a lot of equipment out on rental,"* says Samy *"so we set up tents in the parking lot and people would come back with our equipment and return it."* It was tough but Samy and Hedy persisted. Over the years, they added ancillary services such as a printing service bureau, workshops, classes and promotions to get customers into the store. Samy's offers photo classes at local schools, subsidizes most of the cost by lending the equipment to the students to learn photography.



"We have to have the latest and the best immediately... that's survival, that's what keeps us going."

HEDY KAMIENOWICZ



Around 2003, they were among the first stores to venture into digital technology in a big way. *"We have to have the latest and the best immediately,"* says Hedy, *"that's survival, that's what keeps us going."*

As the bank for entrepreneurs, City National is proud to support business development and financial solutions for growing firms like Samy's Camera.

SUPPLIER DIVERSITY

KEY PERFORMANCE INDICATOR (\$ MILLIONS)

Investments in goods and services purchased from diverse businesses*

	2018	2017	2016
Investments in goods and services purchased from diverse businesses*	\$22	\$20	\$16

* Certified minority-, women-, LGBT-, veteran- and disabled veteran-owned businesses

BUILDING STRONGER COMMUNITIES

In our efforts to support our communities beyond the economic contributions we make, City National adheres to the Community Reinvestment Act (CRA) and, as the Act outlines, we provide community-based loans, investments and grants. The intent of the CRA is to encourage banks and other financial institutions to meet community credit needs. We have developed a strategy around the CRA guidelines that focuses on the development of small businesses and the creation of jobs, affordable housing and financial education.

We provide equity investments and small business and community development loans in projects designed to enhance local neighborhoods and support the economic development of underserved communities.

For much of its existence, City National has provided loans to small businesses; it's part of our heritage as a company. Roughly 33% of our small business loans are provided to companies that have less than one million dollars in annual revenues. Such small businesses are engines of local job creation.

IMPACT OF COMMUNITY DEVELOPMENT LENDING

The bank continues to expand its community development lending, representing multi-million dollar loans that have a direct impact on the promotion of economic development. These loans also serve to provide community-based services which target low- or moderate-income people, to revitalize and stabilize underserved areas by enhancing access to consumer goods and services and to provide affordable housing.

Following close consultation with our community partners, in 2015 we made a five-year, \$11 billion dollar commitment for community lending and investment, as well as other activities outlined in the CRA.

CHANGING LIVES THROUGH

6,000 AFFORDABLE LIVING UNITS

We tend to think of affordable housing as a modern problem, but in fact it's been around for a long time. The U.S. Congress took action on the issue as far back as 1932 when it introduced the Federal Home Loan Bank Act.

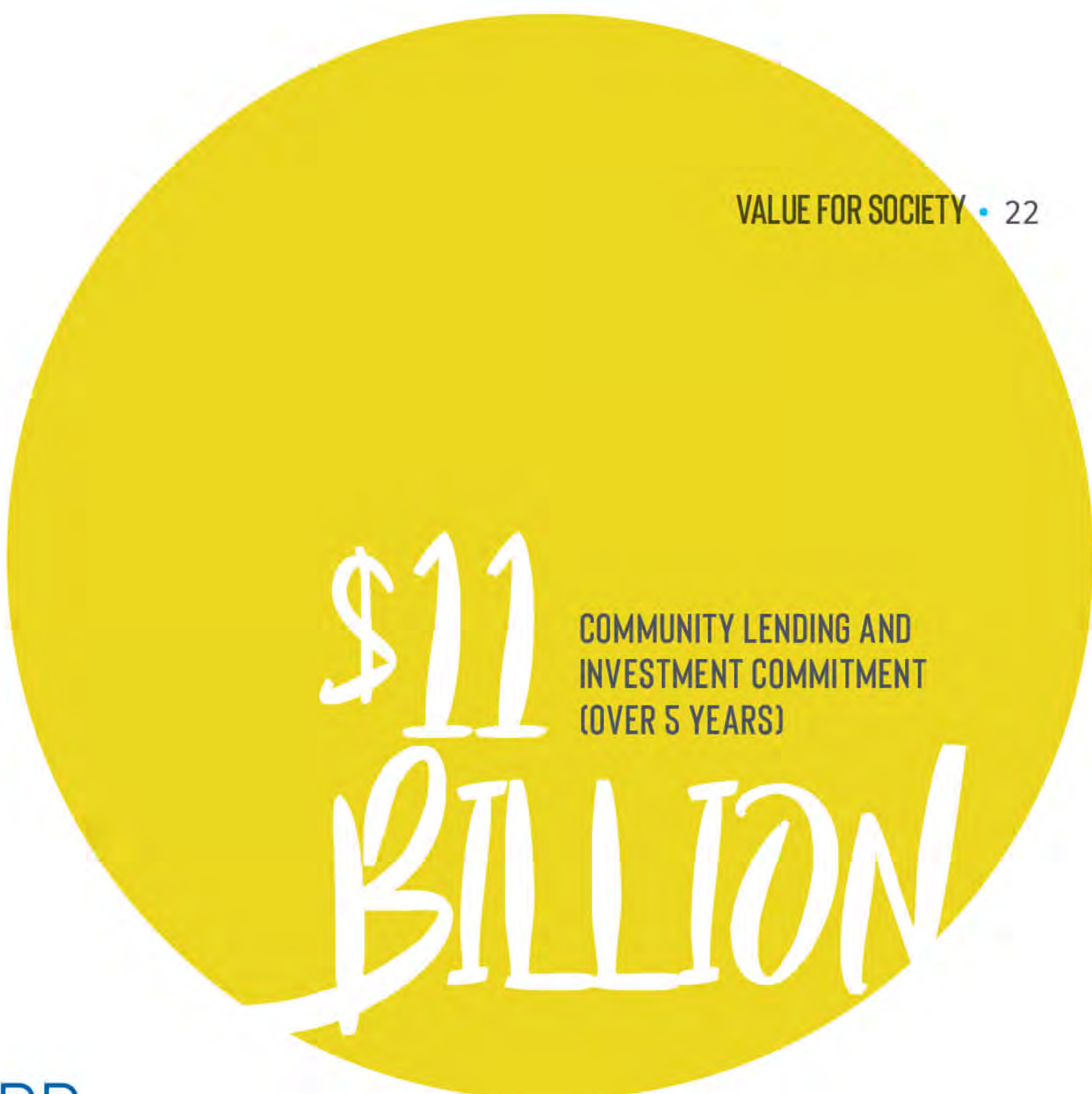
The Federal Home Loan Bank of San Francisco (FHLBSF) is one of 11 U.S. government-sponsored banks that provide reliable financing to member financial institutions (not individuals) to support the creation of affordable housing and community investment.

Since 1996, City National Bank has partnered with the FHLBSF and participated in financing more than 6,000 affordable living units, representing \$54 million in grants. This includes housing complexes such as the Salvation Army Bell Oasis Apartments in Los Angeles, Fairmount Senior Housing in San Diego, Boulder Pines Apartments in Las Vegas and Hope Gardens Family Center in Highland, plus many more.

The FHLBSF is a cooperative, wholesale bank that helps meet community credit needs by providing readily available, competitively priced credit products and services to member financial institutions through all phases of the economic cycle. City National is a member of the FHLBSF and contributes to its funding.

Many of the institutions devoted to affordable housing are social entrepreneurs who understand the link between housing security and a strong community. They work to help change the lives of others. Through the program, developers can receive up to \$1.5 million in gap financing for an affordable housing project. City National has sponsored 88 successful applications through the program.





PROGRESS

The scorecard below tracks our progress towards our \$11 billion commitment since 2016. On many metrics we are on target or exceeding it. In terms of small business lending, we are looking at ways to rebalance our investment distribution and are reviewing our suite of small business products.

COMMITMENT SCORECARD

(\$ MILLIONS)	COMMITMENT	2018*	2017*	2016*	TOTAL INVESTED TO DATE**
Community development loans	\$4,400	\$646	\$657	\$836	\$2,139
Small business loans	\$4,200	\$597	\$588	\$598	\$1,783
Other qualified investments	\$1,600	\$467	\$477	\$372	\$1,316
Residential mortgages funded for minority borrowers	\$700	\$376	\$180	\$158	\$714

* In accordance with CRA reporting requirements, investments are reported on a January 1 to December 31 basis.

** From January 1, 2016 to December 31, 2018.

COMMUNITY INVESTMENT LOAN ORIGINATIONS

KEY PERFORMANCE INDICATOR (\$ MILLIONS)	2018*	2017*	2016*
TOTAL COMMUNITY DEVELOPMENT LOAN ORIGINATIONS	\$666	\$721	\$920
Affordable housing loans	\$120	\$40	\$23
Economic development loans	\$284	\$313	\$462
Community services organizations	\$262	\$368	\$435
TOTAL SMALL BUSINESS LOAN ORIGINATIONS	\$736	\$726	\$740

* In accordance with CRA reporting requirements, investments are reported on a January 1 to December 31 basis.

A WORLD WHERE EVERYONE HAS A
**DECENT PLACE
TO LIVE**

Since 1988, the San Diego Habitat for Humanity (SDHFH) organization has built more than 200 homes that have brought housing security to almost 1,000 men, women and children.



The efforts of SDHFH over the years has attracted a staggering 200,000 volunteers. Also integral to the efforts of SDHFH is the provision of interest-free loans to the new home owners, making such ownership both possible and practical.

As an element of its commitment to affordable housing, City National Bank purchased 55 loans from SDHFH totaling \$8.5 million from 2016 to 2018.

Habitat homes are sold to partner families at no profit and are financed through zero-interest, 25- to 30-year mortgages. The mortgage payments create a revolving fund that Habitat uses to construct future homes for local families in need. Habitat homes are built with donations of money, materials and labor. Partner families are selected based on their proven need for housing assistance and a willingness to commit to 250 to 500 hours of 'sweat equity' in helping build their own home.

The unique program partners with hardworking families and offers a hand up, not merely a hand out. Habitat homes are located throughout San Diego County – Oceanside, Carlsbad, Escondido, El Cajon, San Diego, National City and Imperial Beach.

THE IMPACT OF ZERO-INTEREST LOANS

A \$200,000 mortgage with a 30-year term and a 5.25% interest rate would require a monthly payment of \$1,104.41 whereas a SDHFH interest-free loan would require a monthly repayment of only \$555.56 per month.



COMPANY GIVING

There is a broad variety of causes whose work resonates with our colleagues, clients and communities which City National Bank actively supports. City National financial support is directed to charitable and civic organizations to help them resolve social problems and create positive change. Our significant investments in literacy and financial literacy reflect our belief that these two issues are fundamental to personal and community prosperity.

Since 2001, we have made grants totaling \$75.2 million, including \$10.9 million directed to 7,269 educational organizations and institutions. Our five-year charitable contribution goal is \$30 million, part of our \$11 billion CRA commitment detailed on [page 21](#).

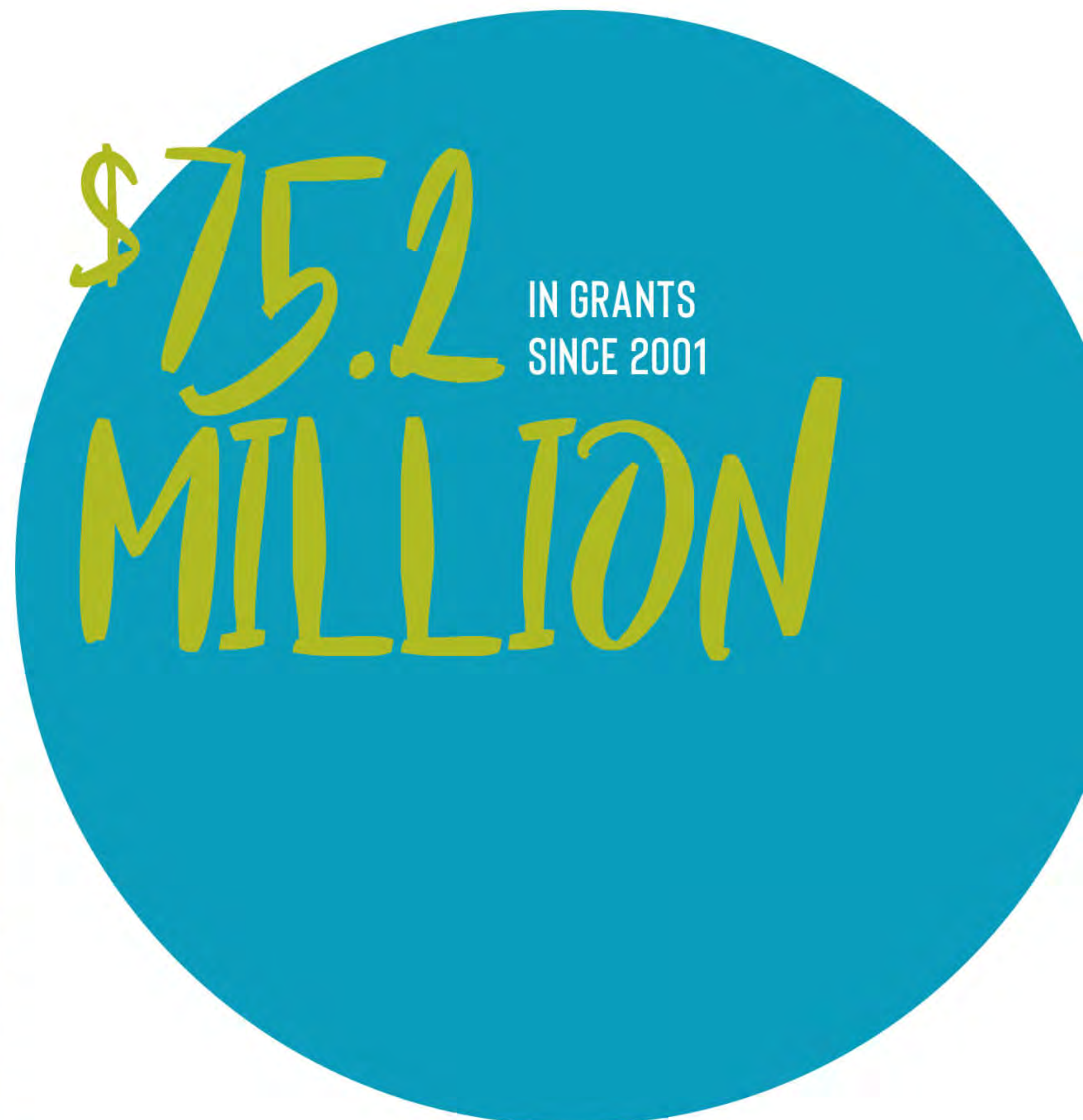


KEY PERFORMANCE INDICATOR (\$ MILLIONS)

Investments in charitable and civic programs*

	2018	2017	2016
Investments in charitable and civic programs*	\$8.4	\$7.9	\$7.0

* Includes the company's contributions in Workplace Giving campaign. [See page 29](#) for more on Workplace Giving.



HELPING THOSE WHO HELPED

BUILD OUR COUNTRY

As our nation's population ages, the isolation of large groups of seniors is becoming an increasingly difficult social problem. Ironically, this is the generation of citizens who gave so much during the many challenging times of the 20th Century to help create the nation we enjoy today. For this reason, City National Bank is committed to supporting causes that bring relief, comfort and dignity to home-bound elderly people.

For example, Citymeals on Wheels provides nourishing meals and vital companionship to house-bound elders in New York City, while in Nevada, medical students and faculty at Touro University are delivering mobile healthcare to low-income neighborhoods that include seniors.

FEEDING 18,000 NEW YORK SENIORS

“The meals are a God-send,” says 88-year-old Audrey, *“I don’t know what I would do without them.”* She’s one of roughly 18,000 seniors who receives meals through the Citymeals program. Her story is far too common for elderly people in the city. She and her late husband lived an active life in the city where they both worked for NBC. With her husband having passed – along with most of their friends in recent years – Audrey is alone, in failing health with meagre financial resources. She does not get out of her apartment very often other than to fill her prescriptions. Citymeals has been a lifeline for her for the past five years.

Working with community-based organizations and seniors centers, Citymeals prepares and delivers weekend, holiday and emergency meals to frail and shut-in seniors in the city.

City National colleagues volunteer with Citymeals in the preparation and delivery of the food and senior vice president Mark Gusinov serves on the Citymeals board. In addition to providing financial donations to the organization, City National also partners with Citymeals on ‘The Spirit Award’ which recognizes the efforts of Citymeals volunteers.



CITYMEALS ON WHEELS

SINCE 1981

58M

MEALS DELIVERED
WITH A FOCUS ON
NUTRITION

85 YRS

AVERAGE AGE

57%

LIVE ALONE

40%

RARELY OR
NEVER LEAVE
THEIR HOMES

33%

LIVE BELOW THE
POVERTY LINE

10%

ARE VETERANS

TURNING HEALTHCARE INTO A TEACHING MOMENT

It is an ideal example of business and academia coming together to advance medical care for the underprivileged. The Mobile Clinic was created by Touro University Nevada and builds on the university's commitment to address healthcare shortage in Southern Nevada. The clinic provides free, on-site medical care at several Nevada HAND housing locations.



This is a win-win for the community and the university.”

PAUL STOWELL

SENIOR VICE PRESIDENT AT CITY NATIONAL AND TOURO UNIVERSITY BOARD MEMBER

HAND is a non-profit organization that provides affordable housing solutions and support services to low-income individuals. The clinic also serves Henderson Heritage Park Seniors Facility and other senior centers in the city's downtown core.

The Mobile Clinic is staffed by Touro medical students under the supervision of faculty. This gives students on-the-job experience and community service that is required for their programs, while providing much needed care for those who require it the most.

The clinic was created through a partnership between Touro University and a number of sponsors including City National Bank and the Vegas Golden Knights NHL hockey team. Stowell's passionate commitment to his community shone through when he brought the various partners together for the project. *“I believe community work is a lot like hockey,”* he says. *“It's a contact sport!”*



COMMUNITY INVOLVEMENT

Our colleagues are engaged citizens who value the charitable giving programs we have in place. These programs inspire them to take similar actions on their own. City National colleagues support a broad range of initiatives in the communities where the bank operates. This includes programs for education, personal empowerment and care for those in need.

City National colleagues are encouraged and supported through the company's workplace giving campaign and the bank places no restrictions on the type of 501(c) (3) charity to which colleagues may donate through Workplace Giving.

City National Bank covers all administrative costs and, in some instances, provides charitable funding as well to make the donations possible. More than four out of every five City National colleagues participate in workplace giving.



WORKPLACE GIVING

KEY PERFORMANCE INDICATOR

	2018	2017	2016
Colleagues participating in Workplace Giving campaign	4,590	4,236	3,848
Amount donated by City National colleagues	\$1.6M	\$1.382M	\$1.3M
Annual total dollar investment through Workplace Giving*	\$1.76M	\$1.52M	\$1.42M

* Includes company contribution. Total company giving reported on [page 25](#).

VOLUNTEERISM

We salute the tremendous positive impact our colleagues have in their communities by volunteering. Since 2001 when we started recording this information, our colleagues have donated a staggering 265,645 hours of volunteer time, representing \$6.6 million in social value.*

KEY PERFORMANCE INDICATOR	2018	2017	2016
Colleague logged volunteer hours	30,074	30,099	26,200
Colleagues logging volunteer hours	24%	28%	21%

265,645

VOLUNTEER HOURS DONATED

\$6.6M

IN SOCIAL VALUE* SINCE 2001

* Based on \$24.69/hour, as suggested by independentsector.org.

Another means by which the bank supports the efforts of its colleagues is through City National's Dollars for Doers program. Colleagues who volunteer 20 hours or more with a charitable organization can apply for up to \$500 annually in Dollars for Doers grants in support of that organization. Since 2002, City National has contributed \$ 672,750 to charities that are important to our colleagues in recognition of their volunteer service.

Colleagues turn out in force to work in their communities every year on City National's PRIDE Day. The PRIDE acronym represents our values and community commitment (see page 34 for details). PRIDE Days are dedicated to specific City National community projects where colleagues volunteer their time. In 2018, more than 200 colleagues participated in nine PRIDE Day projects located in seven regions:

- A beach clean-up in San Francisco
- Food bank sorting and distribution in Los Angeles, Orange County and Ventura
- Meal delivery to homebound seniors and school beautification in New York City
- Walk in Nevada
- Meal service to families at Ronald McDonald House in San Diego
- Literacy and anti-bullying events in Los Angeles



PRIDE DAY CONTRIBUTIONS

KEY PERFORMANCE INDICATOR	2018	2017	2016
Colleagues participating	289	396	350
Number of community aid projects coordinated	9	10	9
Number of volunteer hours recorded during the day	862	1,322	1,067

EDUCATION AND LITERACY PROGRAMS

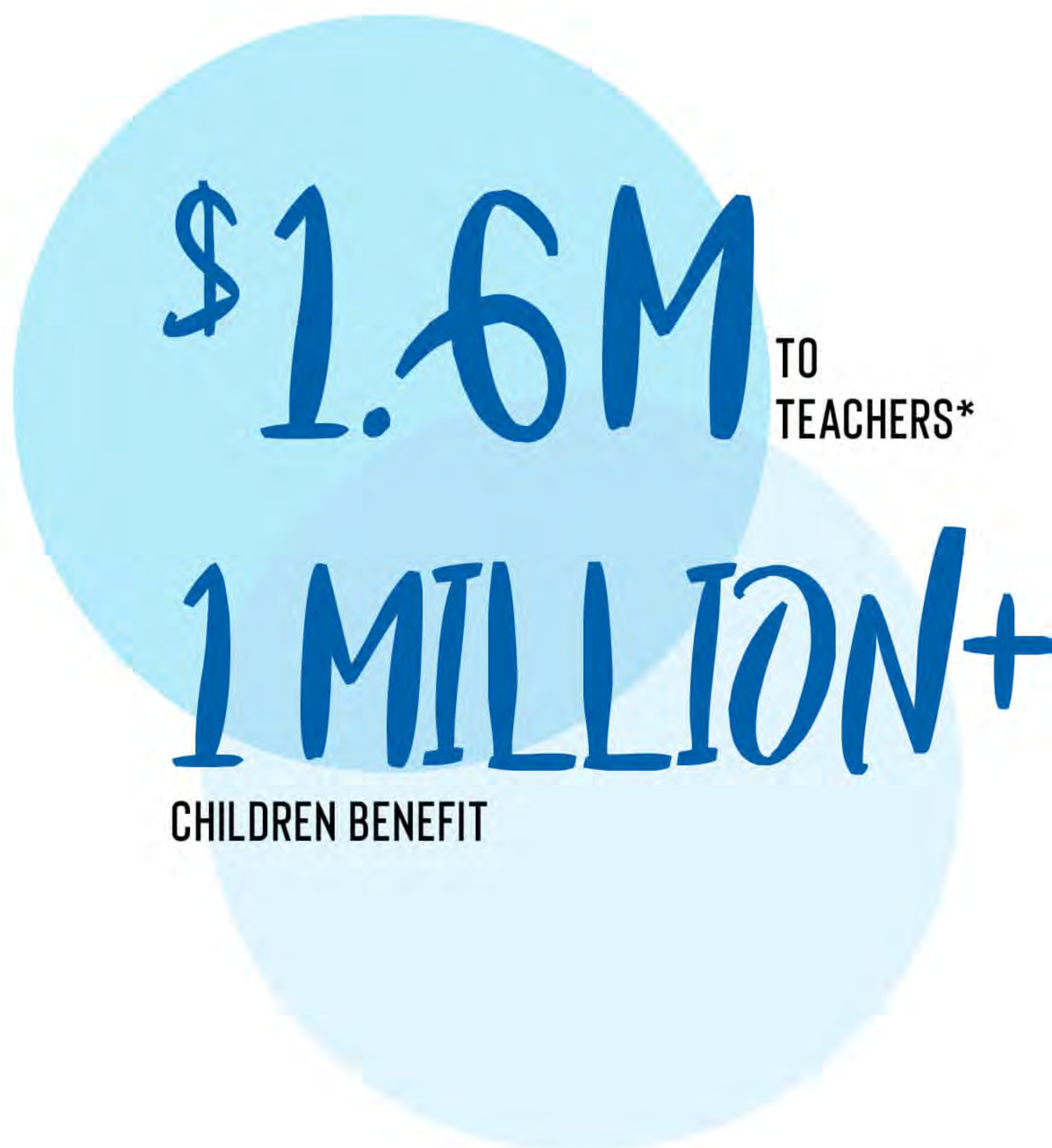
Reading is The way up®

Simple and abundant access to books promotes the literacy of children and young people. A school library with a large quantity of quality books and materials is the gateway to the academic achievement of its students. City National Bank’s award-winning *Reading is The way up®* program donates books to elementary school libraries in California, Nevada, New York, Tennessee and Georgia. Since the program was created in 2002, teachers have received literacy-enhancing grants from *Reading is The way up®* totaling more than \$1.6 million.

Grants range from \$500 to \$1,000 and are intended to augment or expand literacy projects that are judged to be creative and engaging and which have a tangible effect on student achievement. Full-time teachers, librarians, administrators and school media specialists are some of the educational professionals who receive the *Reading is The way up®* grants.



In 2008, the bank expanded the *Reading is The way up*® program through a partnership with Barnes and Noble. The Holiday Partnership is an annual book drive that provides books and cash donations to school librarians and non-profit organizations in five states. 18 Barnes and Noble stores have partnered with City National for this program.



* Awarded to teachers at elementary, middle and high schools for creative literacy projects since program inception.

READING IS THE WAY UP®

KEY PERFORMANCE INDICATORS

	2018	2017	2016
Number of literacy grants	84	121	60
Total amount of grants	\$77,000	\$90,000	\$53,000
Number of organizations and schools receiving book donations	30	33	33
Number of books donated	105,000	300,000	120,000

BACK-TO-SCHOOL DRIVE

Through our annual Back-to-School Drive, City National colleagues donate backpacks filled with educational supplies, gift cards and books to elementary and middle schools and non-profit organizations in California, Nevada, New York, Georgia, Tennessee, Minnesota, Washington state and Washington D.C.

These supplies include erasers, highlighters, scissors, paper, colored pencils and sharpeners, folders, notebooks, rulers, crayons, glue sticks, binders and more. The program is made possible through the generosity of time and money from our colleagues who donate funds and spend hundreds of hours packing and delivering the backpacks to the schools receiving them. Sixty schools and organizations received 1,800 backpacks filled with school supplies in 2018.

KEY PERFORMANCE INDICATOR

Backpacks filled with school supplies donated to students attending needy schools:



At City National Bank, we are exceptionally proud of our Dollars and Sense program whereby our bank colleagues deliver financial literacy training right in the classroom. Started in 2007, Dollars and Sense is an enhancement to our *Reading is The way up*® literacy program. The program is designed for grades kindergarten up to 12 and teaches age-appropriate information about banking and finance.

KEY PERFORMANCE INDICATOR	2018	2017	2016
Colleagues teaching financial literacy	143	280	195
Students taught	20,520	22,560	22,410

Additionally, the bank promotes financial literacy through its support of EVERFI, an organization that uses today’s technology to connect learning to the real world and equip communities with the skills they need for success in the 21st century. This program reached 5,998 students in 2018. Through EVERFI’s financial education offerings, students learn to make safe, smart and informed financial decisions.

CLIPPERS PARTNERSHIP TO

SCORE BIG FOR THE COMMUNITY

City National has made headway in the community by partnering with the L.A. Clippers basketball team. Both organizations are integral parts of the city of Los Angeles and both are committed to community involvement, especially when it comes to helping youth.

“We’re so impressed with everything the Clippers are doing to support the community,” says City National executive vice president Bob Iritani. That’s why the bank hosts and sponsors events in partnership with the Clippers Foundation and our colleagues volunteer in some of the Foundation’s youth programs and events.

MAKING MATH A SLAM-DUNK

Sponsored in Los Angeles by City National, NBA *Math Hoops* is a comprehensive community program that features a basketball board game, a mobile app and a curriculum which together allow students to learn fundamental math skills through the game of basketball.



Nationwide, 82% of eighth graders from low-income families are not proficient in math and many will drop out of high school. *Math Hoops* is designed as a fun learning tool that improves students’ foundational math and social emotional skills.

CODING THE WAY TO SUCCESS

In order to take advantage of the growth of educational and career opportunities in Science,

Technology, Engineering, Art and Math (STEAM), it’s crucial that students get on the computer science and math track early. On International Woman’s Day, March 8, City National joined forces with the Clippers Foundation and STEAM:CODERS at the Brotherhood Crusade’s YouthSource Center to teach a group of middle schools girls in South Los Angeles how to code.

STEAM CODERS

STEAM:CODERS’ mission is to inspire under-represented and underserved students and their families through (STEAM), in preparation for academic and career opportunities.

HIGH STYLE IN HIGH SCHOOL

Also in March, the Clippers Foundation hosted more than 150 young women at a local hotel for a prom dress giveaway. Each person received a dress, purse, accessories and a pair of shoes so they would be fully equipped for their big night. With the assistance of volunteers from the bank and the Clippers’ organization, the young women also enjoyed personal-stylist experiences as they put together their outfits.

MENTORSHIP ASSIST ZONE

In partnership with the Clippers, City National colleagues served as mentors to kids from various at-risk groups and programs such as Operation Hope, Dream Teams and others in 2018. At a large-scale mentorship kick-off event called Mentorship Assist Zone, City National colleagues sat down with the kids, one-on-one and worked with them to suggest ways to help with their futures.



VALUE FOR
PLANET

THOUSANDS OF CUSTOMERS PASS THROUGH
OUR BRANCHES EVERY DAY, EFFECTIVELY LINKING US
TO THE COMMUNITIES WHERE WE WORK AND LIVE.
BECAUSE WE CARE ABOUT COMMUNITIES AND THEIR
LONG-TERM WELL-BEING AND BECAUSE WE HAVE AN
INTIMATE KNOWLEDGE OF THEIR INNER WORKINGS,
WE TAKE SERIOUSLY OUR RESPONSIBILITIES TO
MINIMIZE OUR ENVIRONMENTAL FOOTPRINT.

We look at all aspects of our business when considering our efforts to develop a plan for the protection of our natural resources. And we do so with urgency in the face of rapid climate change and unprecedented weather events that have devastated so many communities across the nation and around the world.

We carefully monitor our performance in environmental metrics such as water consumption and the production of Greenhouse Gas (GhG) emissions. We also curtail our use of paper and pursue greater operational efficiencies within the buildings that house our offices and branches. We believe we are on track to achieve our long-stated goal of reducing our GhG emissions by 10% from current levels by 2019.

CHANGING,
**ONE LIGHT BULB
AT A TIME**

City National continues to search for new and innovative ways to achieve our sustainability goals and we have already made significant progress. *“In support of our commitment to sustainability, each year we undertake projects that help reduce our environmental impact through energy conservation, reduced water consumption and technology integration in the facilities we own and lease,”* says Harry Topping, senior vice president of Premises. It’s not an all-or-nothing approach. *“We look at our premises with a view to reducing our footprint*

over time.” This applies to both new projects and retrofits. For instance, between 2016 and 2018 we retrofitted interior lighting and sign lighting with more energy-efficient LED technology in various locations. At City National Center, we installed dampers in air handlers for fan energy reduction, replaced existing landscaping with drought tolerant plantings and a drip irrigation system, removed failed chillers in favor of high efficiency units and got rid of failed cooling and heating coils to make way for new, higher efficiency ones.

At our Operations Center, we installed solar window film to reduce heat load and improve occupant comfort, installed variable speed drives on chilled water pumps and replaced failed air compressors with high-efficiency motors.

ENERGY AND EMISSIONS

City National keeps a keen eye on the energy that we consume at our various business locations. We reduce energy consumption by seeking remedial initiatives – such as modernizing our air conditioning systems. Certain areas of our business saw new opportunities to conserve energy and reduce GhG emissions. At a key operations center in Southern California, for example, we have erected solar panels. Another opportunity which we have embraced is daylight harvesting technologies that serve as an incremental power source for low-energy electronic equipment in our Los Angeles headquarters building.

We know the benefits of buying local, so whenever possible we acquire goods needed for our business operations from local sources to help reduce emissions related to transportation. We also invest in public transportation subsidies for colleagues, reducing the amount of road congestion and emissions.



VIDEOCONFERENCING AND SKYPE

We have 22 videoconferencing sites which reduce the need for colleagues to travel. The benefits of our A/V equipment and Skype capabilities include:

- Reduced emissions
- Time efficiency

- Document sharing
- Real-time document mark-up
- Ease of communication for on-site scope changes

KEY PERFORMANCE INDICATOR	2018	2017	2016
Total energy use (kWh)	6,922,679	7,844,990	8,147,764
Energy saved through air conditioning upgrades* (kWh)	286,000	247,583	N/A**
Estimated carbon dioxide emissions avoided through solar power systems** (tons)	N/A**	116	N/A**
Actual carbon dioxide emissions avoided through solar power systems** (tons)	42	N/A**	N/A**
Public transportation subsidies for colleagues (\$)	494,725	547,375	601,337

* Includes scope 2 facilities only, i.e., electricity consumed and purchased by City National.

** At time of installation, the energy savings from the solar panel system was estimated at 35% of total consumption. As of 2018, we are moving away from this estimating formula to more accurately reflect our actual impact on the environment.



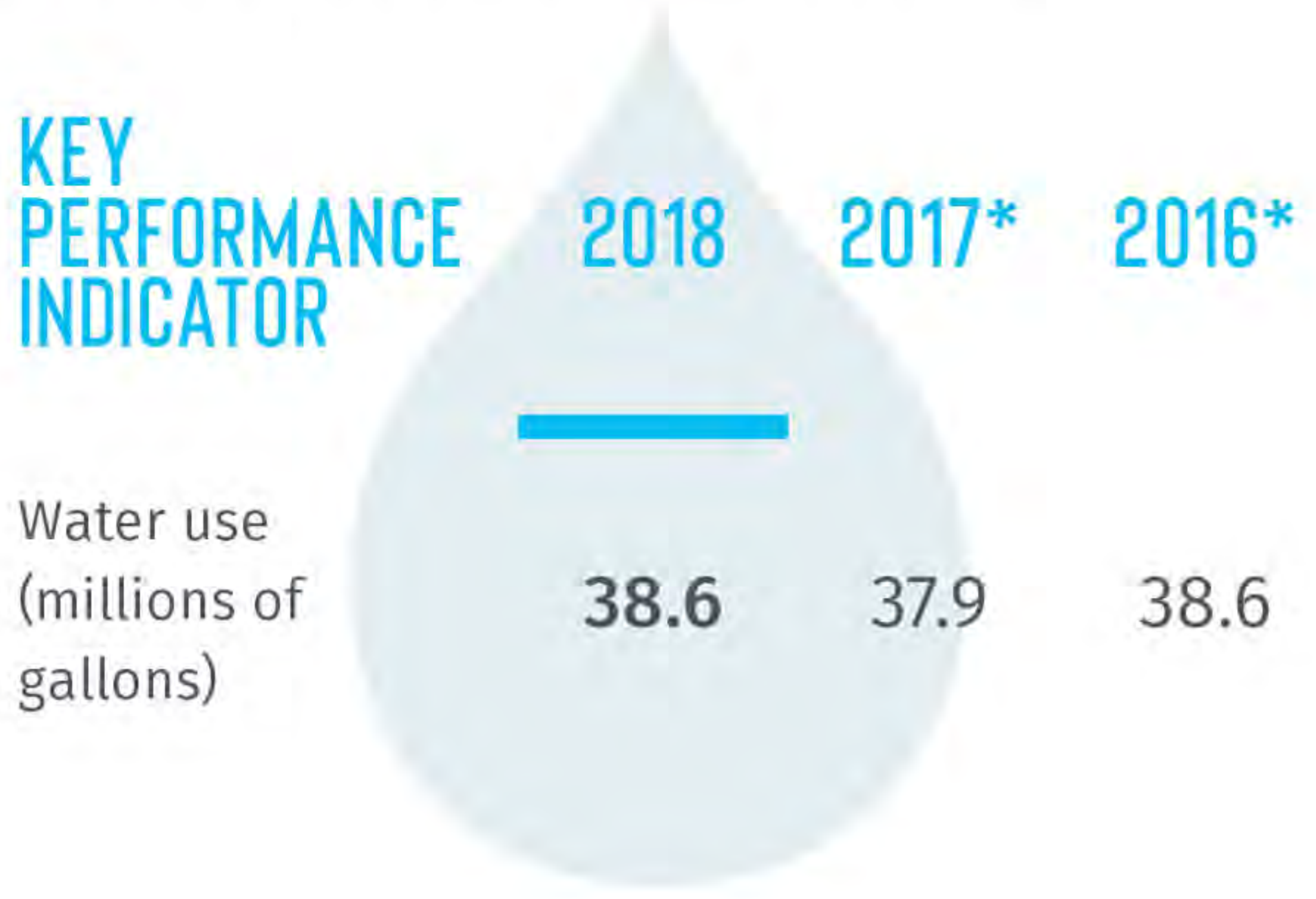
RENEWABLE ENERGY EFFORTS RECOGNIZED

In 2018, City National Bank was awarded a Sustainability Certificate for using 100% Renewable Energy within the Switch data center ecosystem. The certificate demonstrates that Switch retired 1,352 geothermal and solar renewable energy credits in 2017 on behalf of City National Bank, making our energy consumption 100% green at Switch’s data center facilities. These renewable energy credits comply with Greenpeace’s principles of locality, additionality and sustainability and were generated by Nevada solar farms and geothermal power plants in 2017. City National was also an Energy Star 2018 Partner of the Year.

WATER

Water is a precious resource especially in climates such as California’s. It is an imperative for the bank that our water consumption is kept to a minimum. One example of our water conservation efforts is the installation of a water treatment system at our Operations Center that is saving more than one million gallons of water each year. Also, all our facilities utilize filtered domestic water, replacing plastic bottled water.

We monitor water consumption to ensure that we achieve our reduction goals. To ensure water conservation is also practiced in the community, we actively encourage all of our colleagues to likewise take remedial steps in their own homes.



* For a 12-month period from September 1 to August 31.

“LEEDING” THE WAY WITH

GREEN BUILDINGS

City National Plaza, the bank’s flagship location in downtown Los Angeles, earned a LEED (Leadership in Energy and Environmental Design) platinum designation in 2018.

LEED requirements cover a wide range of qualities relevant to sustainability, including site suitability, energy and water efficiency, materials and resources used, as well as design features. LEED's rating system continually grades the environmental performance of buildings and encourages sustainable operating practices on an ongoing basis. This past year was no exception and City National's submissions were reviewed and confirmed through this evaluation system. The building also received an Energy Star partner of the year award for its use of Energy Star appliances. All new building projects at City National are designed to attain certification under the LEED system.

WASTE AND RECYCLING

Our colleagues have made waste reduction and the recycling of materials their own personal priorities and as such these concerns and actions are important parts of our corporate culture. City National recycles more than 1.3 million pounds of paper and cardboard per year.

Other waste-related accomplishments include:

93,600 
LINERS PER YEAR

Our offices have discontinued the use of Styrofoam cups and reduced the use of plastic trash can liners – saving more than 93,600 liners per year.

20,000 
POUNDS OF ELECTRONIC
EQUIPMENT PER YEAR

Company-wide recycling programs are in place to support colleagues' responsible disposal and reuse of materials, such as batteries. We recycle more than 20,000 pounds of electronic equipment per year.

8 M+ 
PRINTED PAGES
ELIMINATED PER YEAR

Over eight million printed pages per year have been eliminated through online reporting and eDocuments.

GREEN CHAMPION WINNERS

“SHRED” THE COMPETITION

At the end of 2018, we completed the first full year of City National’s Green Champion program, developed in late 2017 to encourage colleagues’ participation in our environmental sustainability efforts. As part of the program, City National conducted a shred campaign in 2018 to encourage the shredding and recycling of reams of paper at City National Plaza Regional Center in Los Angeles.

During the month of June, all City National floors in the building competed to shred and recycle the greatest amount of paper. The grand winner was the tenth floor, having shredded 7,410 pounds of paper and surpassing the next best performer by almost 1,000 pounds. All floors combined shredded 55,100 pounds of paper, the equivalent of 660 trees.

VALUE FOR COLLEAGUES

RESPECT IS INTEGRAL TO OUR CORPORATE CULTURE AT CITY NATIONAL. WE ARE A RESPONSIBLE CORPORATION AND WE PURSUE A SUSTAINABLE BUSINESS MODEL. AS SUCH, WE BELIEVE THAT ALL COLLEAGUES DESERVE RESPECT AND APPRECIATION FOR THEIR PERSONAL STRENGTHS AND PERSPECTIVES.

Culture is rooted in the hearts and minds of our employees. It is not housed within the walls of the buildings that are our places of work. Culture lives only when it informs our colleagues' beliefs and guides their actions and approach to the workplace.

City National has just under 4,700 colleagues who bring our culture to life every day by embracing integrity, inclusivity, diversity, entrepreneurship and creative problem solving. We benefit from two complementary strengths: we are small enough to enable a familial approach with our colleagues and customers, yet large enough to enjoy the benefits of a major corporation.

KEY PERFORMANCE INDICATOR	2018	2017	2016
Number of colleagues	4,684	4,214	3,838

DIVERSITY, MULTI-CULTURALISM AND INCLUSION

For City National, creating a work environment that welcomes and includes diversity is the right thing to do and a strategic business priority. More than half of the bank's colleagues are ethnic minorities. Beyond that, the City National family is rich with multiple languages, cultures, educational backgrounds, age, generational workstyles, genders, physical abilities, and race to name some aspects. We recognize the opportunity to create a rich learning environment, where we can share with and learn from each other thereby serving our clients more effectively with a myriad of approaches to their financial challenges. A richness of diversity allows us to better position ourselves to find

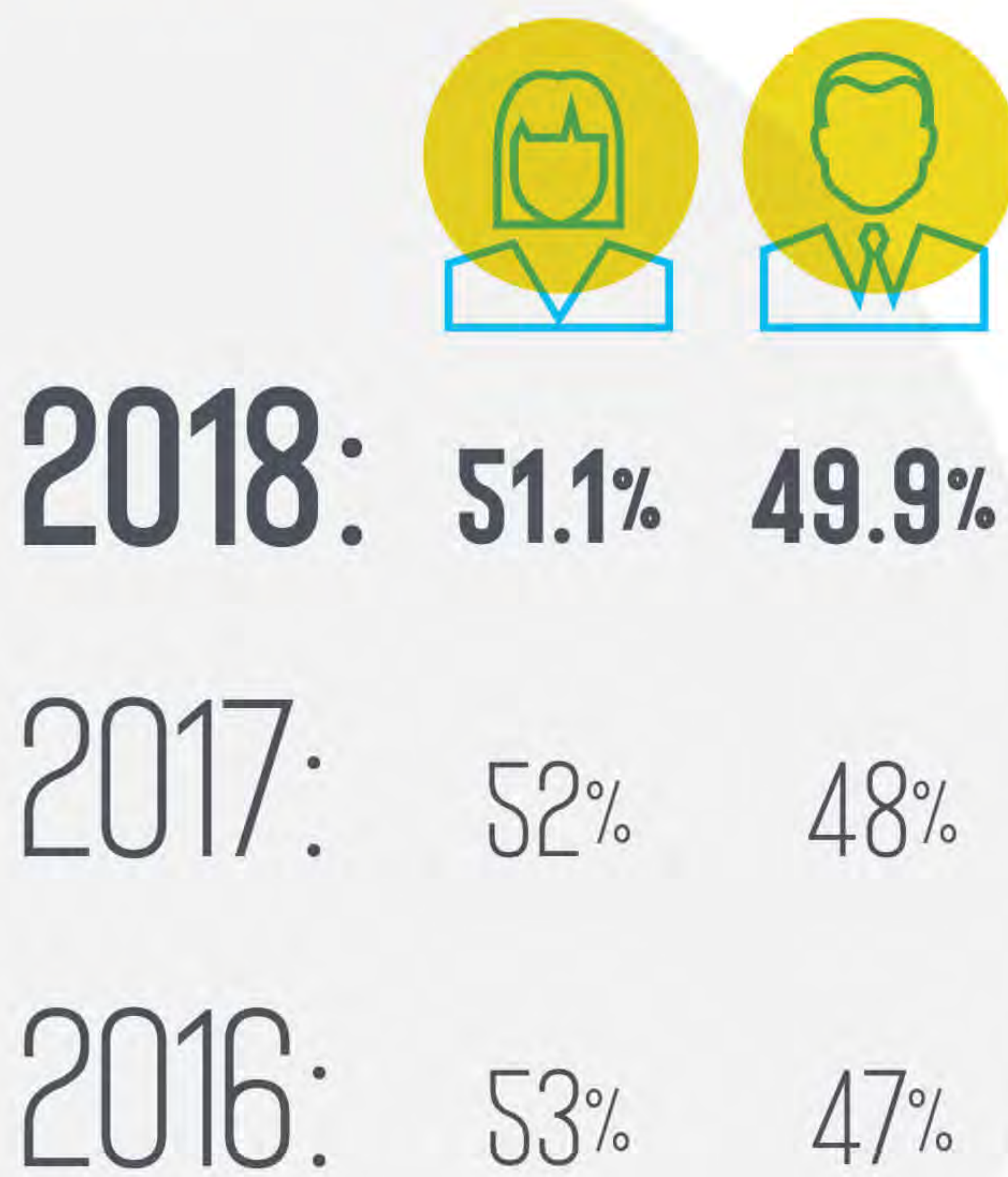
solutions. In 2018, City National was recognized and named one of Forbes' Best Employers for Diversity. The utilization of diversity and efforts to create an inclusive environment adds to our appeal as the bank of choice for diverse clients. It also appeals to prospective colleagues as there is great competition for skilled financial professionals. Our diversity efforts are a compelling recruitment tool. We value employees who believe in giving back to their communities and we support programs that help them do exactly that. We treat our colleagues with respect, we advocate for their well-being and their

long-term commitment to the bank. They in turn do the same for our clients.

MONTH-LONG CELEBRATION OF DIVERSITY

In 2018, we spent the month of September celebrating multiculturalism – the fifth consecutive year we have done so. The celebration is designed to create opportunities for learning and awareness inside and outside of one's own culture. The month is marked by panel discussions, films, workshops, specialized menus in our company cafeterias and educational articles.

GENDER



ETHNICITY

	2018	2017	2016
Asian	22%	21%	20%
Black or African American	9%	9%	9%
Hispanic or Latino	22%	22%	22%
Native Hawaiian or other Pacific Islander	1%	1%	1%
Two or more races	2%	2%	2%
White	43%	44%	45%

COLLEAGUE RESOURCE GROUPS

The bank believes a ‘one-size-fits-all approach’ is not the way to serve a diverse client base and we instead tailor our approach to suit the needs of individuals and businesses through our relationship banking model and PRIDE values. The same holds true for the way in which we mentor and support our colleagues.

At City National we have Colleague Resource Groups (CRGs) that consist of colleagues who share a common interest in a cultural identity and issues that affect that culture. Each resource group works to address the needs of community, clients and colleagues through educational programming internally and externally; as well as philanthropic outreach tailored to meet common needs. By leveraging the diverse perspectives in our workplace, we build community and improve our results in the marketplace.

We currently have ten CRGs under the Colleague Development Network umbrella:



The initiatives undertaken by these groups are all designed to increase engagement with colleagues, and the clients and communities we serve. Programming includes career development, philanthropic outreach and business development through education and specialized events. The bank-wide mentoring program, hosted and managed by the resource groups with partnership from Human Resources, has graduated close to 500 individuals, many of whom have seen increases in responsibilities and promotion as a

result of going through the year-long program with a senior colleague as a mentor.

WOMEN HELPING WOMEN ADVANCE

A stand-out Colleague Resource Group event in 2018 was a Career Conversations seminar that featured four former administrative assistants who were able to advance their careers, attaining officer and corporate titles. The session was designed as a 'how to' for administrative assistants interested in advancing their careers.

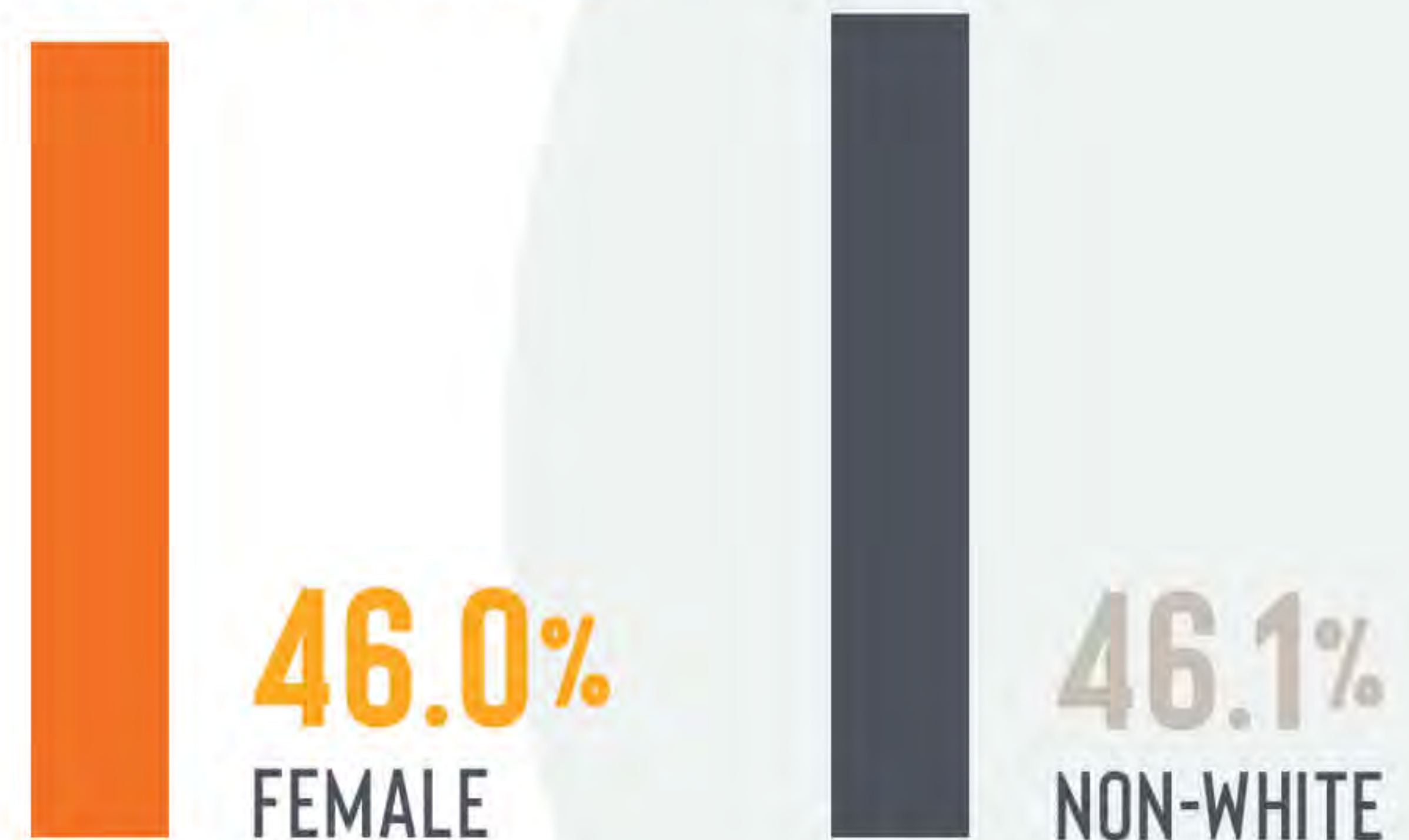


Ask for more, take risks. Be open to training, ask for it.”

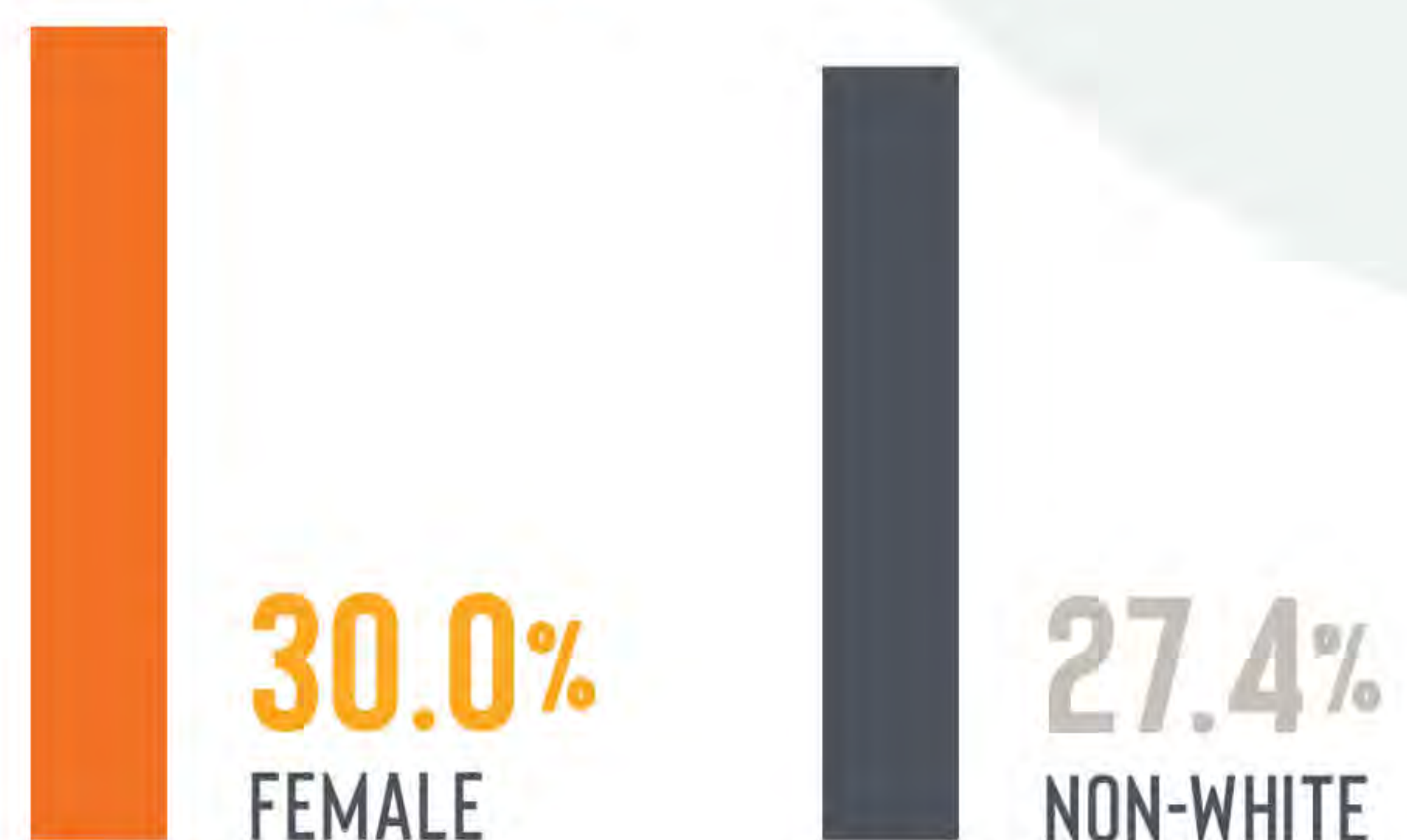
JENNIFER LIGHT

Nearly 150 colleagues took part. One of the speakers was Jennifer Light, vice president and project manager at the bank. She told the gathering: *“Be the best at your job that you can. Be creative and inventive – share your knowledge with the rest of the division. Be the person people go to for help. Ask for more, take risks. Be open to training, ask for it.”*

MIDDLE MANAGERS AND ABOVE



SENIOR VICE PRESIDENTS AND ABOVE



Another conversation that featured women was our Latinas en Movimiento, which featured four Latinas, three clients and one colleague, who are among the few, or only in their career positions. One of the panelists, a coordinating producer for a national sports station, said:



The only way to stand out and continue advancing in a job or industry dominated by strong men, is to make a statement every day; be bold in your decisions.”



One CRG event featured Areva Martin, author of *Make It Rain*, a lesson in using one’s distinctive voice and media strategically to reach the right audiences, build a platform, and increase visibility, influence and business.

VETERANS

We believe that our veterans are a precious national resource whose courage, stamina and dedication fit ideally within the bank’s culture. We have seen time and again how veterans demonstrate exceptional compassion, duty and teamwork and serve as an inspiration to all employees through their leadership and organizational skills. Attributes such as resilience and a forthright approach not only served them well during their service but also serve them well when they join companies such as City National. We actively recruit veterans into our ranks.

In 2018, we had 91 colleagues on staff who have previous military service.

KEY PERFORMANCE INDICATOR

Number of self-identified military veterans

	2018	2017	2016
Number of self-identified military veterans	91	78	58

VALUE FOR CLIENTS

HELPING ALL CLIENTS SUCCEED

WE SUCCEED AS A COMMERCIAL ENTERPRISE WHEN WE HELP OUR CLIENTS FLOURISH AND SUCCEED THEMSELVES. TO ACHIEVE THAT COMMON SUCCESS, WE BELIEVE WE MUST GAIN KNOWLEDGE OF THE PEOPLE AND BUSINESSES WE SERVE SO THAT WE CAN CREATE EXCEPTIONAL CLIENT EXPERIENCES. TO COMPLEMENT THIS APPROACH, WE OFFER A BROAD RANGE OF SOPHISTICATED FINANCIAL PRODUCTS THAT WE CAN EFFECTIVELY TAILOR TO OUR CLIENTS' UNIQUE NEEDS.

City National Bank has received 16 awards for commercial and small business banking from Greenwich Associates, a leading global financial services research and consulting firm. The awards include recognition for overall client satisfaction, the likelihood clients would recommend the bank to others, digital and online services, treasury management and advice and industry expertise. Greenwich Associates evaluated more than 600 banks and conducted some 30,000 interviews with executives at small- and medium-sized businesses. Only 6% of the banks reviewed were given an award.

Our approach to the client experience and the recognition we have received reflect our overall approach. This includes ensuring our clients' privacy and cybersecurity, our ability to serve multicultural markets such as the Crenshaw district in Los Angeles, our efforts to help non-profits flourish and our work in helping clients achieve their sustainability goals by, for example, financing renewable energy projects.

16 FOR THE WAY WE SERVE
OUR CLIENTS
AWARDS

CITY NATIONAL BANK



AN RBC COMPANY



COMMUNITY INVESTMENT TRIUMPHS IN CRENSHAW

In late 2017, City National Bank opened a full-service branch in the historic Crenshaw District of Los Angeles. Crenshaw is considered an economic microcosm of the larger city with an economic base that ranges from low-to-moderate income neighborhoods to affluent and ultra-high-net-worth neighborhoods. There is also a robust small business district.

Seeing as City National does not traditionally operate in mixed income neighborhoods, there was a question as to whether our luxury brand would appeal to the demographics of this community and enable us to operate profitably.

But the bank moved forward and today the branch is thriving and growing by serving customers of all economic circumstances. Little more than a year in operation, the branch has already achieved its four-year operating goals.

EFFECTIVE COMMUNITY ENGAGEMENT

City National's success has always been predicated on the relationships it develops and maintains with its clients and their communities. Long before actually opening the Crenshaw branch, the bank started building relationships within the community. *"Though we didn't have a branch in Crenshaw when we began the multicultural strategies department, residents and businesses of Crenshaw have always been a target as that is where the historical Black community of Los Angeles settled. It is still predominantly Black with incomes across the strata,"* says Karen A. Clark, senior vice president, Multicultural Strategy. *"When we announced the branch, we were not strangers, so we were able to immerse ourselves in the community. We invested in it with an integrated marketing plan that spoke to the health and wellness of Crenshaw and its residents."*

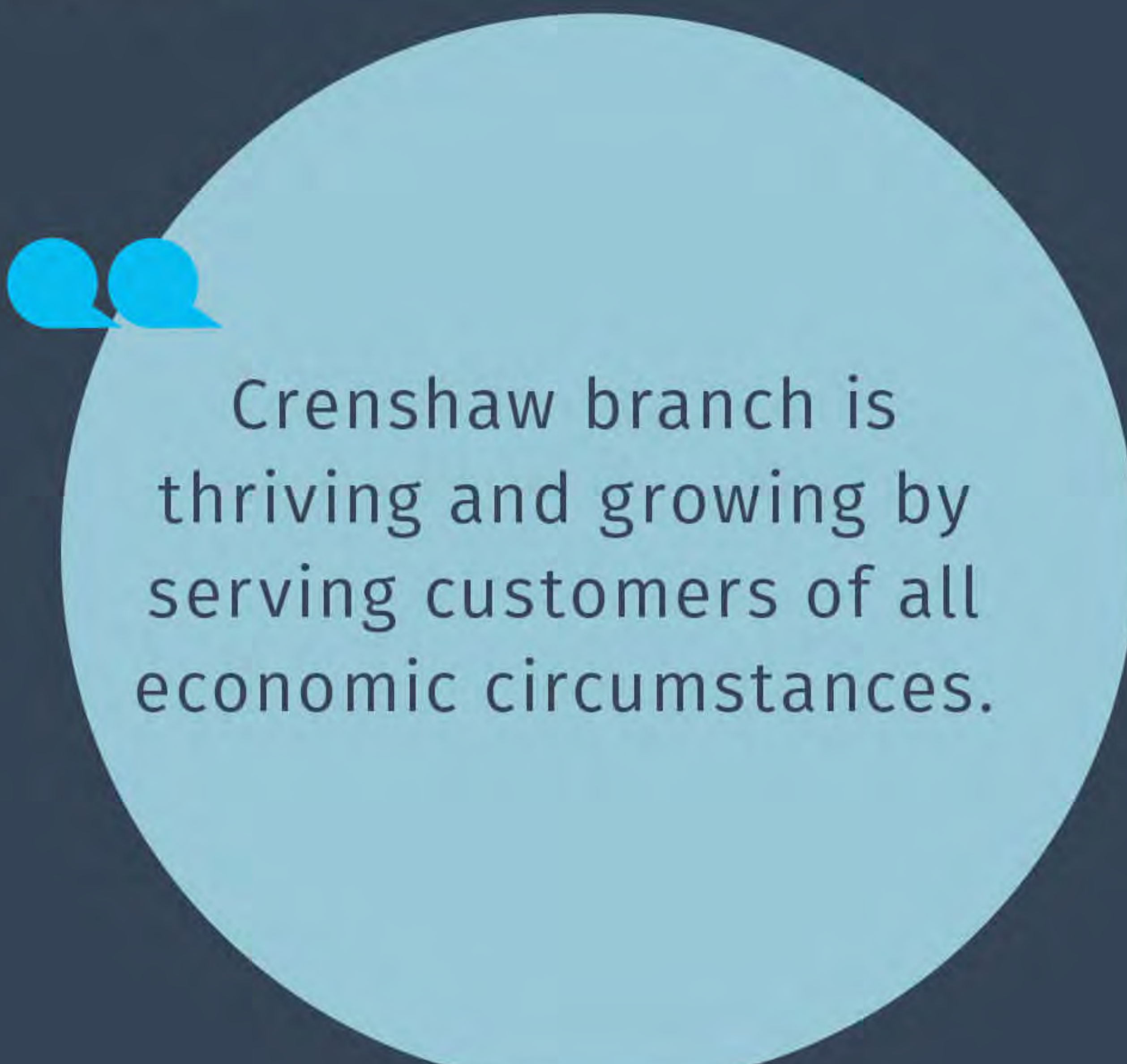
The bank holds financial seminars customized for each level of income and education; sponsors events and organizations that are helpful to the community and resonate with our brand; and launched a radio campaign all about financial health.

As well, more than 100 City National colleagues live in the Crenshaw District and serve as ambassadors in the community. Collectively, we address issues such as financial planning, elder financial abuse, youth financial education, homeownership and entrepreneurship.

SUPPORTING CRENSHAW BY BECOMING PART OF THE COMMUNITY

In 2018, the bank was firmly recognized as a member of the community and continued its involvement supporting small business initiatives such as the Conversations series in local Crenshaw businesses; financial education in local schools and the Taste of Soul event among numerous others.

The community has taken notice and the bank's efforts are paying off. Six months after opening the branch, an ultra high-net-worth prospect, now client, called and asked for a meeting at which he stated *"After watching how City National treats people in Crenshaw we decided we needed to talk with you. We have noticed that you treat everyone with white-glove service, regardless of their assets. We thought we were in a Rolls Royce with our current bank, but maybe not...."*



Crenshaw branch is thriving and growing by serving customers of all economic circumstances.

PRIVACY AND SECURITY: FUNDAMENTAL TO CLIENT TRUST

THE BOND OF TRUST WE SHARE WITH OUR CLIENTS INCLUDES A COMMITMENT TO PROTECT AND SECURE PERSONAL INFORMATION AND PRIVACY WITH THE UTMOST DILIGENCE. CITY NATIONAL GOES ABOVE AND BEYOND BASELINE REGULATORY AND GOVERNANCE REQUIREMENTS TO ACHIEVE THE HIGHEST LEVELS OF ASSURANCE FOR CYBER SECURITY AND PRIVACY.

Technology fundamentally changes the way we work and live for the better each day, while it also introduces new risks. City National Bank employs some of the best cyber and privacy professionals in the industry and invests in new technologies to ensure the integrity of our systems and the security of client data.

SECURITY MEASURES

To protect personal information from unauthorized access and use, City National uses cyber security measures that encompass our branches, facilities, data centers and everywhere our client data lives. Cyber security measures such as anti-malware defenses, forensic technologies and advanced network and website defensive technologies protect our clients and their data 24/7/365.

SECURE TRANSMISSIONS

We encourage our clients to use the secure online tools available at CNB.com, including multi-factor authentication to ensure the integrity of online banking activities. Also, City National has never and will never ask for PIN or passwords over the phone.

INFORMATION SHARING

Our privacy policy, available on our public website, outlines how we share client information, if at all. It also indicates clients' options to request that we not share info.



EMPOWERING STAKEHOLDERS WITH
KNOWLEDGE

Knowledge is power and all the more so when it comes to financial matters. As the ability to read and write empowers us and connects us to the larger world around us, so too does financial literacy allow us to connect with greater opportunities in life that can determine personal fulfillment and success.

As a bank that provides financial services and advice, we champion the financial literacy of our clients and all the individuals in the communities that we serve. City National undertakes numerous financial literacy outreach programs and initiatives like Dollars + Sense to help educate the public on a broad variety of financial issues. The topics range from the basics – such as how to balance a checking account every month or create a household budget – to more complex issues, such as proper estate planning and raising capital to start a new business.



We believe that content is an extension of our client relationship model, and it allows us to provide the same level of high-touch and useful service in a digital way.”

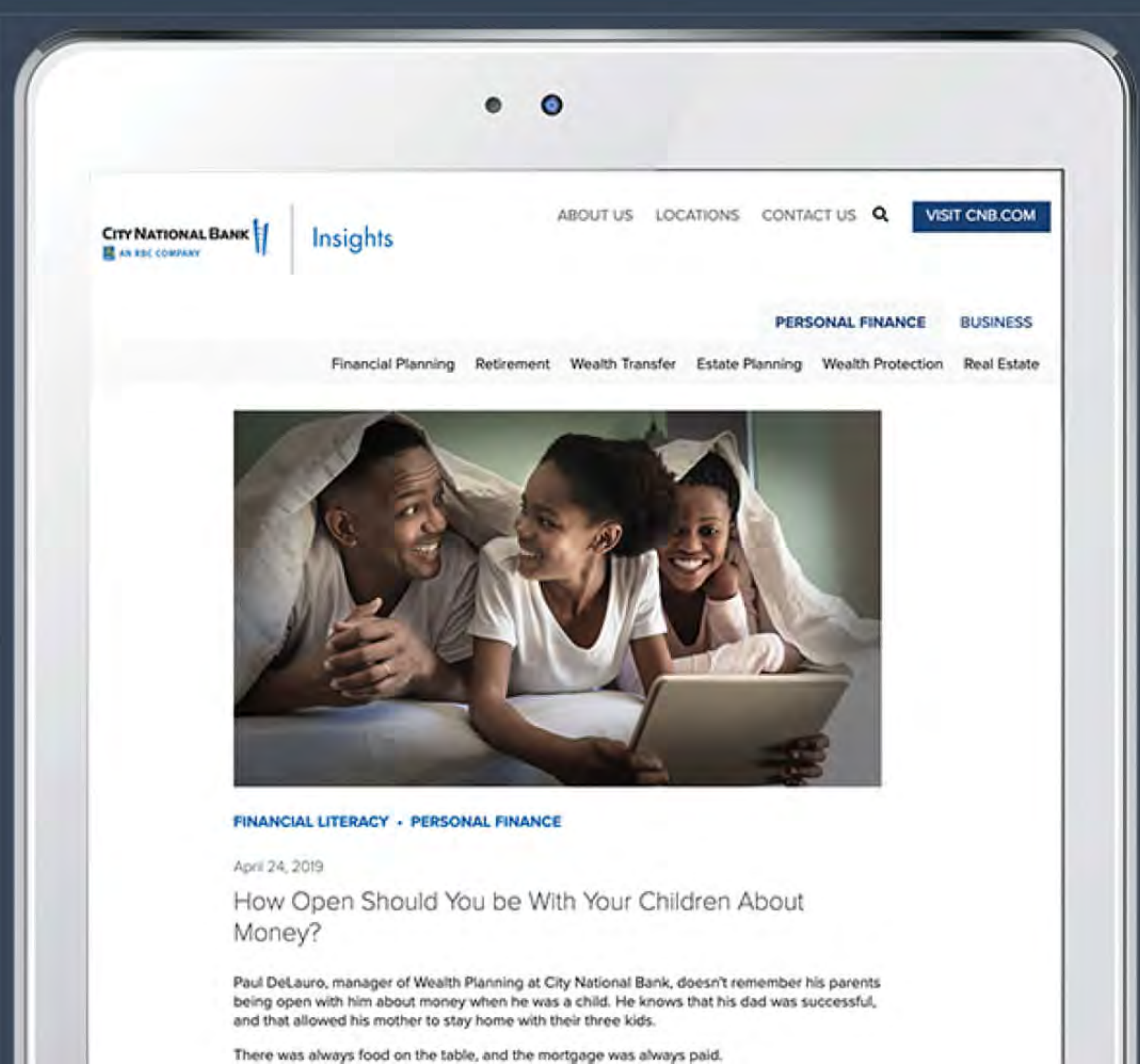
JOCELYN DELANEY

In addition to specialized programs, the bank is creating specialized content on its website geared specifically towards raising financially savvy children and young adults. This will complement the ‘City National Insights’ section of the website which offers a wealth of helpful information for both individuals and businesses.

“We gather feedback from our clients about the biggest challenges, situations and frustrations they experience as they manage their personal and business finances,” says digital content manager Jocelyn Delaney. “Our web content aims to inform these individuals about what they should consider when making major financial decisions and the various strategies that are available to help them grow, protect and transfer their wealth. We believe that content is an extension of our client relationship model and it allows us to provide the same level of high-touch and useful service in a digital way.”

City National Insights also offers a wealth of information on small business and economic trends, insights and issues, thanks in part to proprietary research developed by City National and the Wealth Management team at our parent company, RBC.

Jocelyn reports that the website receives 12,000 visitors a month and the content is designed to deliver in-depth information in a compelling fashion. Analysis of traffic to the site shows exceptional user engagement, suggesting the content is relevant and clearly presented.



NON-PROFITS AS

SOCIAL ENTREPRENEURS

At City National Bank, we know the vital role that non-profit organizations play in helping strengthen communities, answering needs that would otherwise be met with silence.

By harnessing our own internal financial expertise, we are able to offer a suite of tailored professional services to non-profits that help address the many challenges they face and position themselves as effective social entrepreneurs with a compelling raison d'être.

Non-profits always walk a tightrope when it comes to managing their finances: sustainable cash flow is critical, surplus funds must be prudently invested so as to protect capital while maximizing returns and they face special challenges when attempting to secure loans.

Our skilled professionals have the expertise and understanding of non-profits' operational issues to successfully address all of these challenges. We help eliminate barriers and maximize a non-profit's borrowing capabilities through pledged financial facilities, while providing the necessary guidance to use pledged financing properly for short-term cash-flow needs and longer-term planning.

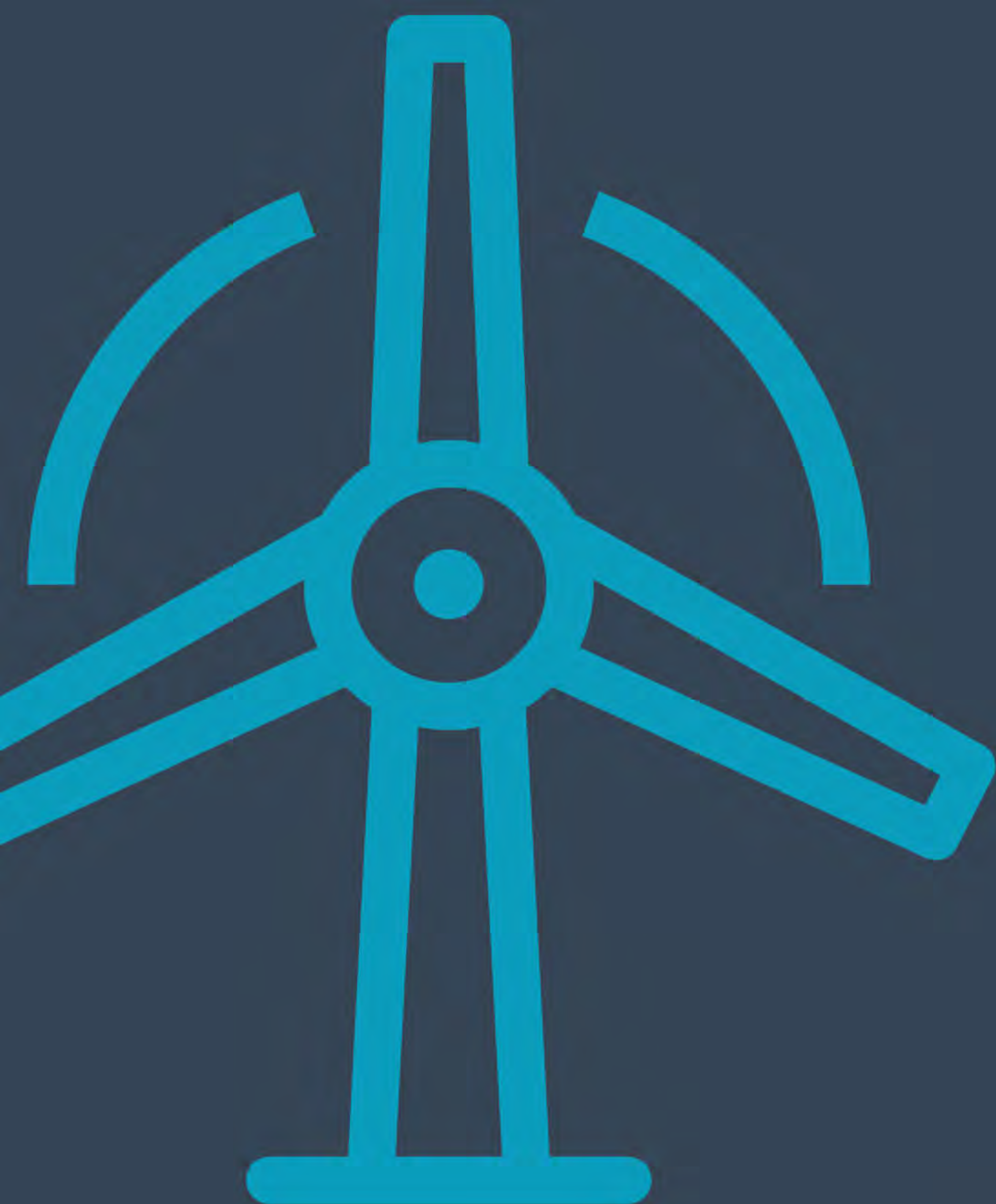
TURNING DONORS INTO STRATEGIC COMMUNITY INVESTORS

We also provide non-profits with indirect assistance through the work we do with donors in developing their giving strategies. Because we are familiar with the challenges that non-profits face, we can counsel donors in ways to creatively structure their giving to best suit the non-profit's needs while also meeting their own giving goals.

We view substantial lifetime giving as an element of sound estate planning, regardless of tax implications or economically challenging times. Because of our strategic management of assets and planned gifts, our non-profit clients can demonstrate their strong financial foundation to benefactors and, in turn, position themselves as fiscally responsible organizations in order to attract additional support.

PROVIDING THE SPARK FOR
**RENEWABLE
ENERGY**

Few would dispute the fact that the future will be rooted in renewable energy. As obvious as the imperative for renewable energy is, achieving that reality presents a daunting challenge especially in terms of accessing the capital to build it.



City National Bank has stepped up to that challenge by creating a team of specialists focused on providing the bank's full range of financial solutions to businesses and entrepreneurs developing and managing energy projects, especially those involving renewable energy projects nationwide.



The U.S. power market is evolving and seeking intelligent, sustainable energy solutions.”

AARON COHEN

EXECUTIVE VICE PRESIDENT AND MANAGER OF CITY NATIONAL'S
STRUCTURED FINANCE DIVISION IN LOS ANGELES

Renewable energy is the well that never runs dry. It is sustainable and does not contribute to greenhouse effects or to global warming. It is believed that by 2050, 80% of the United States' electricity needs can be met with renewable energy sources using technologies that are currently available, including wind turbines, solar photovoltaics, concentrating solar power, bio-power, geothermal and hydropower. California has committed to 100% clean electricity by 2045 and the state's Senate Bill 100 mandates that the electricity serving the needs of Californians come from clean sources such as hydropower, wind and solar.

However, the largest barrier to a renewable energy future is the capital costs of building and installing solar and wind farms. Once constructed, renewable energy infrastructure is much easier and cheaper to maintain than traditional generators.

With its new team of specialists, City National Bank is helping overcome the high cost of entry for renewable energy innovators. *“The U.S. power market is evolving and seeking intelligent, sustainable energy solutions,”* says Aaron Cohen, executive vice president and manager of City National's structured Finance division in Los Angeles. *“City National formed this new team to service the many banking needs of this growing and changing market.”*

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