

Creating value with Purpose

Address to Shareholders

by

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to the

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(Check against delivery)



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By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our financial performance objectives, vision and strategic goals will not be achieved. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include: public health crises, such as pandemics (including coronavirus (COVID-19)) and epidemics, and any related government policies and actions, credit, market, liquidity and funding, insurance, operational, regulatory compliance, strategic, reputation, legal and regulatory environment, competitive and systemic risks and other risks discussed in the risk sections of our 2019 Annual Report and the Risk management section of our Q1/2020 Report to Shareholders; including information technology and cyber risk, privacy, data and third party related risks, geopolitical uncertainty, Canadian housing and household indebtedness, regulatory changes, digital disruption and innovation, climate change, the business and economic conditions in the geographic regions in which we operate, the effects of changes in government fiscal, monetary and other policies, tax risk and transparency and environmental and social risk.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider

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Thank you Katie and good morning.

None of us would have ever imagined hosting an Annual General Meeting like this. But our world has changed in unpredictable ways since the COVID-19 outbreak. We appreciate everyone adapting to this year's format.

The past couple months have been incredibly challenging.

Lives have been lost. Workers displaced. Big parts of our economy have grounded to a halt.

A daily stream of facts and figures help us make some sense of the crisis. But the stories I keep coming back to are about our lives and livelihoods. Many have come to me directly – through calls and emails.

The older couple who did all the right things to save for their retirement, but now wonders if it will see them through. The young family who desperately searched for a way to get back home before the border closed. And the young graduate whose first job is now on hold – indefinitely – because the employer is struggling to stay afloat.

A crisis like this reveals a lot about what we are made of. It's as true for a country as it is a company. The coming months will be a test for both. RBC is primed for this moment. I'm going to talk more about what we're doing to help our clients, colleagues and communities get through this tough time.

But for now, perspective is so important. Life will get better.

Our collective actions will reduce the strains placed on our health care system, save lives and protect our economy.

And the routines of daily life will return. The school yard bell will never sound so welcoming...

In the meantime there are many things we're grateful for...

Like our healthcare workers — and — all those on the frontlines who are combatting the virus with courage and compassion. On behalf of RBC, I want thank all of them.

Additionally, so many of our clients are facing significant financial challenges. My gratitude goes out to every RBCer who is helping them gain control of their own situation, and working so hard, in so many ways, on our bank's response. You are a phenomenal team.

Because of you, millions of people can keep counting on our bank to be there for them.

That's, in fact, why we're here today at our Annual General Meeting.

We've achieved many great things since our doors first opened in 1869. But none more vital to our success than creating value for those we serve.

Our journey to continuously create more value has powered a steady stream of earnings.

In 2019, we generated almost 13 billion dollars of earnings. We also delivered a premium Return on Equity of just under 17 percent.

Not only did we grow profitably – we grew prudently – thanks to our disciplined approach to cost, risk management and the diversification of our business.

And our strong capital and liquidity position enables us to remain resilient, and keep growing.

Much of our success comes down to this: we combine the best people with great technology to create real, transformational value for all our customers. I think about this blend of capabilities as our “bionic future.”

In this particularly challenging time, our offering is proving especially valuable. For instance:

- Against the backdrop of market volatility, 1.7 million investors can rely on MyAdvisor -- our online platform – to receive data, insights and counsel in real time; and
- As the pandemic impacts both supply and demand, our advisors are in a position to assist business owners with real-time insights about their customers, markets and performance through RBC Insight Edge.

Among the many ways RBC stood out last year, we were named one of the Best Workplaces in Canada, and ranked #3 on Refinitiv’s global “Top 25 most Diverse & Inclusive Companies” index. All the more impressive given that 7,000 publicly listed companies were reviewed.

Importantly, in 2019, we maintained our commitment to you, our shareholders. 55 percent of bank profits were returned to our shareholders through dividends and buybacks.

We had a great start to 2020 with 3.5 billion dollars in Q1 earnings -- up 11 percent from the prior year. We saw strength across all our businesses, with strong volume and market share growth. And we continued to deliver value to you, our shareholders, with an increase to our dividend, bringing it up to \$1.08 per share per quarter.

As you might expect, the broader macro outlook for the rest of the year has been significantly impacted by COVID-19.

Many nations -- including Canada – were already in the later innings of an economic expansion. Our challenge has been compounded by the collapse of oil prices.

Indeed, we know the impact of this crisis will drive our economy into a recession. Exactly how deep and long this downturn might be is hard to see at this stage.

But our national priority must be to help companies remain solvent and people employed. We need to move with urgency – in days and weeks, not months. This will keep our economy primed, and help speed up the recovery once the health crisis is in check.

Ottawa and its provincial counterparts have acknowledged the profound hardships facing society, and are responding with substantial measures to offset the magnitude of our fiscal challenges.

Of course, we also need to think about the next stage of the recovery.

Global trade migration is not likely to go back to the old model. International movement won't press a "resume" button any time soon. Shoppers, diners and tourists may choose to stay away from each other for a while.

These are significant challenges to grasp for a world that has largely benefitted from globalization. We shouldn't give up on it. But, for a country like Canada, we need to think about how to be more self-reliant in the areas that matter most to our competitiveness and prosperity.

This includes creating more resilient Canadian supply chains, using technology to work and connect differently with stakeholders and transforming the way we learn and train, so our companies and communities are better equipped for a new paradigm of disruption.

In the meantime, let's get the relief programs activated and working for Canadians.

I'm confident we will. An extraordinary amount of co-ordination between policymakers, regulators and financial institutions in the US and Canada has already been on display. There is a strong resolve to cross the finish line together.

Let me tell you how RBC is doing its part.

Key programs introduced by the federal government are up and running. We are already flowing funds to help Canadians that are economically impacted by the outbreak, and to small and mid-size businesses seeking interest free loans.

RBC's efforts to provide immediate financial relief are also well underway. To date:

- We've processed over 250,000 payment deferrals and that's for Canadians in need of immediate cash-flow, including up to six month deferral for mortgages, and other loans.
- RBC is also working closely with thousands of entrepreneurs and business owners, providing a range of options to serve them best. This includes increases to operating lines of credit limits and waiving of credit card minimum payments.
- We will also reduce credit card interest charges by 50% for personal and small business clients receiving minimum payment deferrals.

- We've assisted close to 18,000 clients since the travel advisories started.
- Our wealth advisors have reached out to hundreds of thousands of clients to help them understand the market volatility, and the best ways through it.
- And we're working closely with many of our capital market clients to support their financing needs, and advising them on how to navigate the highly-volatile market environment.

In our efforts to combat the spread of COVID-19, RBC has made some pretty substantial changes to the way we work. Today, for instance, well over 70,000 people are working from home – up from 4,000 just a month ago. I'm proud in how quickly we've adapted to these measures.

But some adjustments have been disruptive to our daily routines, adding stress to our lives. We are equipping our people with tools, techniques and resources to stay connected and manage through this time – including a strong focus on mental health. RBC provides all of us with a sense of belonging – that shouldn't change even if the way we work has.

Our bank also understands these are anxious times for everybody – including our own people. That's why our leadership team committed to no layoffs as a result of COVID-19 this year. And we've made sure our on-site workers are operating in safe spaces, and being compensated appropriately for their incredible efforts.

Our communities are facing significant challenges as well. And many of the organizations who serve our most vulnerable are struggling to raise funds and deliver their services.

RBC has made a commitment to support programs serving at-risk populations, addressing food insecurity and access to mental well-being support as well as other vital services. To date the RBC family has donated over \$4 million to community response efforts in North America and globally.

Youth have also been disproportionately impacted by the economic fall-out of COVID-19. Many rely on summer jobs to help pay for their schooling, but now wonder if they will have one in the coming months. For our part, RBC looks forward to welcoming our close to 1,400 summer students and providing them with a meaningful work experience.

And we are working with post-secondary institutions to provide full credit for coop hours even as workplace routines are disrupted from COVID-19.

We also know starting a career in a recession can be especially difficult to do, with long term implications to earning potential. It's all the more challenging when the workplace of tomorrow demands new and evolving skill sets.

That's why our Future Launch program remains a critical focus for us. This ten-year, \$500 million commitment helps youth develop the capabilities and connections to thrive and prosper.

We're adapting programs and learning opportunities, so that we can continue to support youth in Canada in remote and virtual environments.

To date, we've reached more than 1.9 million young Canadians through it, with an overwhelming majority of participants feeling more confident about their future.

At RBC, we also feel confident about the road ahead.

In the immediate term, our bank is well-positioned to manage through the downturn. We have the stability and strength of one of the best rated financial institutions in the world. Our diversified business mix is a key advantage. As is our strong capital and liquidity ratios.

But what we're really focused on is exiting this crisis stronger and to be in a position to serve our clients in new and better ways.

We will seize this opportunity to redefine the role we play in our clients' lives. And we're going to do it in the following four ways:

- RBC will provide the advice and insights, solutions and services that help our clients feel confident about the choices they make.
- We'll empower our clients to shape their own banking experience – in part by simplifying and digitizing experiences to make banking more convenient.
- RBC will further elevate our value proposition by adding new features and benefits to our offerings. We will also partner with other market-leading brands to give our clients more of what they want.
- And finally we will leverage data analytics and digital platforms to deliver truly compelling offerings.

Our strategy is straightforward. But it's difficult to duplicate. That's because RBC possesses a number of unique advantages in creating value.

It begins with a powerful Purpose, which is all about helping clients thrive and communities prosper.

Another advantage is the RBC brand. It creates bonds. Instills trust. And inspires our people to use the power of their imagination and insight to relentlessly improve human experiences.

Competitive advantages are derived from our scale too. You need scale to build out new capabilities that, for us, go beyond banking.

Of course, our success is only made possible by our talented team of employees. Their engagement in our business and brand surpasses the benchmark of high-performing companies we measure against. In 2019, that translated into rising client satisfaction levels across ALL our businesses.

But, as mentioned, there's another part of our Purpose, which we're equally focused on fulfilling – helping communities prosper.

Our society still faces the pressing challenge of climate change. To address this challenge, you need a stable economy. And a stable economy requires a stable price of energy.

We've long viewed these two premises as the precondition towards reducing carbon emissions in a meaningful way. That's because you simply cannot expect people to accept and take on change when economic conditions change for the worse.

Right now, these premises are under threat from the economic fall-out of COVID-19. And so the efforts underway to help our country recover faster takes on even greater meaning in our journey toward a healthier planet.

We've made a set of commitments to do just that. You can find them in RBC's Climate Blueprint.

They include a focus on helping our clients – including our energy clients -- and communities make the transition to a lower carbon economy.

Last year at this meeting, we announced a new business target of 100 billion dollars in sustainable finance by 2025. We're on track to meet this goal, having contributed approximately \$26 billion to sustainable finance in 2019.

Innovation is also a critical component of our Climate Blueprint. Through our Tech for Nature initiative, we're helping to accelerate and scale solutions to the most pressing environmental challenges.

And we're using our OWN voice to actively engage in important public policy conversations.

I began my remarks describing some hardship stories. Let me leave you with one more that underscores all the key points I've made today about RBC.

One of our clients in southwestern Ontario runs a flower greenhouse. Like many businesses, the past few weeks have been tough.

It's supposed to be peak season for the client, but our account manager, Matt Mahler, learned that a number of orders had been cancelled leaving our client with an unusual amount of idle inventory. So one day he arranged to purchase 50 flower arrangements and distribute them to some branches within the area that were still open.

It was a small gesture. But it went a long way in saying "we are in this together."

That's the kind of bank we aspire to be every day.

Understanding our clients' situation, looking after their best interests, finding new and better ways to serve them.

It's all about creating value – something you can count on us to do today and well into the future.

I want to thank our Board for their counsel, our employees for their commitment, and to our clients who continue to place their trust in us. Finally, to our shareholders, we appreciate your ongoing support and we're committed to continue delivering for you over the long-term.

Thank you. Merci.

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