



Royal Bank of Canada to Acquire Brewin Dolphin

Strategic Expansion of Global Wealth Management Footprint

March 31, 2022

All amounts are in Canadian dollars unless otherwise indicated and are based on financial statements prepared in compliance with International Accounting Standard 34 Interim Financial Reporting, unless otherwise noted.



Caution Regarding Forward Looking Information

This presentation contains forward-looking statements within the meaning of certain securities laws, including the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation, with respect to RBC’s and Brewin Dolphin’s financial performance, beliefs, plans, expectations, and estimates. Forward-looking statements in this presentation may include, but are not limited to, statements with respect to the expected closing of the proposed transaction, plans for the combined operations of RBC and Brewin Dolphin, the financing of the proposed transaction, the financial, operational and capital impacts of the proposed transaction, our strategies or future actions, and our objectives and commitments. The forward-looking information contained in this presentation is presented for the purpose of assisting shareholders and analysts in understanding the proposed transaction and may not be appropriate for other purposes. Forward looking statements are typically identified by words such as “believe”, “expect”, “foresee”, “forecast”, “anticipate”, “intend”, “estimate”, “goal”, “plan” and “project” and similar expressions of future or conditional verbs such as “will”, “may”, “should”, “could” or “would”.

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 actual results may differ materially from such predictions, forecasts, projections, expectations or conclusions.

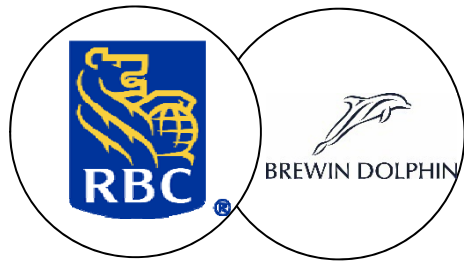
We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include, but are not limited to: the possibility that the proposed transaction does not close when expected or at all because of the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the proposed transaction, including because required regulatory, shareholder or other approvals and/or other conditions to closing are not received or satisfied on a timely basis or at all or are received subject to adverse conditions or requirements; the possibility that the anticipated benefits from the proposed transaction, such as being accretive to adjusted earnings per share (EPS), creating synergy opportunities and growing our UK operations are not realized in the time frame anticipated or at all as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations (including changes to capital requirements) and their enforcement, and the degree of competition in the geographic and business areas in which RBC and Brewin Dolphin currently operate; the risk that any announcements relating to the proposed combination could have adverse effects on the market price of the common stock of either or both parties to the transaction; the possibility that the business of RBC and Brewin Dolphin may not perform as expected or in a manner consistent with historical performance; the ability to promptly and effectively integrate Brewin Dolphin; the ability to fund the proposed transaction from existing excess capital; RBC’s ability to achieve its capital targets; RBC’s ability to cross-sell more products to customers; reputational risks and the reaction of Brewin Dolphin’s customers and employees to the transaction; the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management time on transaction-related issues; increased exposure to exchange rate fluctuations; material adverse changes in economic and industry conditions; general competitive, economic, political and market conditions; and those other factors discussed in the risks sections and Impact of COVID-19 pandemic section of RBC’s 2021 Annual Report and the Risk management section of RBC’s Q1 2022 Report to Shareholders, and the factors discussed in Brewin Dolphin’s Annual Report and Accounts 2021 all of which outline certain key factors and risks that may affect our future results and our ability to anticipate and effectively manage risks arising from all of the foregoing factors.

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 the foregoing factors and other uncertainties and potential events. Material economic assumptions underlying the forward looking-statements contained in this presentation are set out in the Economic, market and regulatory review and outlook section and for each business segment under the Strategic priorities and Outlook headings in RBC’s 2021 Annual Report, as updated by the Economic, market and regulatory review and outlook section of RBC’ Q1 2022 Report to Shareholders.

Assumptions about RBC and Brewin Dolphin’s current and expected financial performance (including balance sheet, income statement and regulatory capital figures), expected financing for the proposed transaction, expected closing date of the proposed transaction, expected synergies (and timing to achieve), integration and restructuring costs, assumed purchase price accounting (including fair value marks), costs of financing, foreign exchange rates, and future regulatory capital requirements, including the Office of the Superintendent of Financial Institutions’ announced Basel III reforms effective in the second quarter of fiscal 2023, were considered in making the forward-looking statements in this presentation including estimating the adjusted EPS accretion and the expected capital impact to RBC.

Any forward-looking statements contained in this document represent the views of RBC and Brewin Dolphin only as of the date hereof. Except as required by law, neither RBC nor Brewin Dolphin undertakes to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

Strategic expansion of global Wealth Management footprint



A values-based approach to Wealth Management

1

Transaction results in scale in three of the world's largest asset pools

2

The transaction will create a Top 3 wealth manager in the UK & Ireland that will serve as platform for future growth in an attractive and consolidating market

3

Complementary businesses that fit together strategically to offer a breadth of wealth and banking offerings to clients through multiple distribution channels

4

Leveraging technology strengths and digital investments of RBC and Brewin Dolphin to provide tailored solutions and an improved client experience

5

Combining two premier wealth management brands with a strong cultural and operational fit

6

Accretive deployment of excess capital to add another sustainable growth vector to our diversified business model

Transaction results in scale in three of the world's largest asset pools

Canadian Wealth Management

#1 HNW market share⁽¹⁾

#1 Ultra HNW market share⁽¹⁾

C\$3.9BN

2021 Revenue

C\$175BN

Q1/22 AUM

C\$534BN

Q1/22 AUA

U.S. Wealth Management (including City National)

6th largest U.S. wealth advisory firm, ranked by AUA⁽²⁾

High quality growth franchise at City National

US\$5.0BN

2021 Revenue

US\$181BN

Q1/22 AUM

US\$561BN

Q1/22 AUA

Wealth Management UK & Ireland

Top 3 UK & Ireland wealth manager, ranked by AUM⁽³⁾

Pro forma as realized through this transaction

~£0.5BN

2021 Revenue

~£64BN

December, 2021
AUM

RBC Global Asset Management (includes the largest retail mutual fund company in Canada)

2021 Revenue: C\$2.7BN; Q1/22 AUM: C\$599BN

Expanding RBC's opportunity into the large UK & Ireland wealth management asset pool



Canada
C\$3 trillion⁽⁴⁾



United States
US\$60 trillion⁽⁴⁾



United Kingdom
£3 trillion⁽⁴⁾





(1) HNW: High Net Worth. Market share as measured by AUA, Investor Economics, October 2021. (2) Assets under administration (AUA): Assets administered by us, which are beneficially owned by clients. Services provided in respect of assets under administration are of an administrative nature, including safekeeping, collecting investment income, settling purchase and sale transactions, and record keeping. (3) Assets under management (AUM): Assets managed by us, which are beneficially owned by clients. Services provided in respect of assets under management include the selection of investments and the provision of investment advice. We have assets under management that are also administered by us and included in assets under administration. (4) GlobalData

Brewin Dolphin: A premium franchise with scale in a growing UK & Ireland Wealth Management market

Overview

- Founded in 1762, Brewin Dolphin is one of the largest discretionary wealth managers in the UK & Ireland
- **Strong market presence and distribution.**
 - 30+ offices across the UK, Ireland and Jersey
 - Just under 1,300 members who are directly focused on client service
 - >1,700 relationships with firms of independent financial advisors (IFAs)
- **Broad client offering to maximise flows.** Offers services to over 80,000 clients across the wealth spectrum from mass affluent to bespoke and complex solutions for High Net Worth (HNW)
 - Average client AUM of ~£700k
 - Strong net flows in a secular growth market
- **Significant technology investments** expected to increase advisor capacity, improve client experience and onboarding, and help drive operational efficiencies
- **Strong brand** with Brewin Dolphin reporting that 97% of clients would recommend them⁽¹⁾, and a 96% client AUM retention rate
- **Strong culture.** Employee engagement score was 88% in 2021, 10 pts above the financial services benchmark
- Launched two new **ESG investment solutions** for clients, through 1762 from Brewin Dolphin and a responsible Managed Portfolio Service (MPS) solution for intermediaries' clients

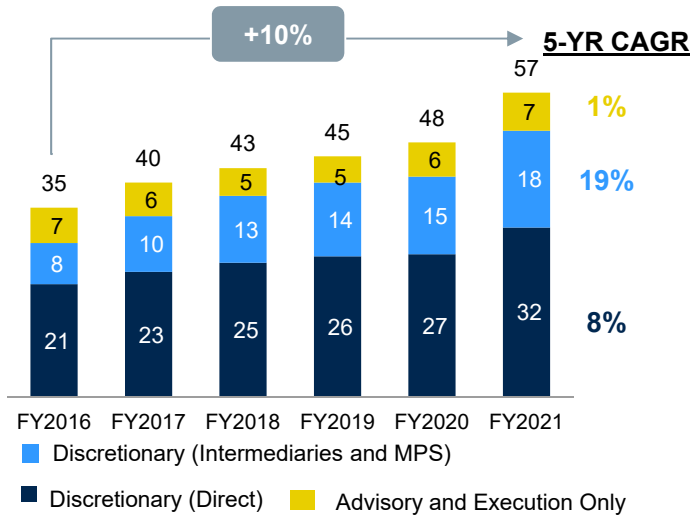
Broad range of client value propositions and investment solutions⁽²⁾

Complexity of Client Advice Needs	 1762	Complex financial advice service <hr/> HNW & UHNW solutions <hr/> Complex needs	<ul style="list-style-type: none"> ▪ Face-to-face delivery ▪ Advice across all areas of complex clients' financial needs – focus on financial planning ▪ Broad range of investment solutions ▪ Headline fee: 115-150 bps
	 Wealth Core	Wealth advice service <hr/> Mass Affluent to HNW solutions <hr/> Largely advised & complex needs	<ul style="list-style-type: none"> ▪ Face-to-face delivery ▪ Advice across all areas of clients' financial needs ▪ Broad range of investment solutions ▪ Headline fee: 130 bps (IM only), 150 bps integrated
	 WealthPilot	Simplified financial advice service <hr/> Largely Affluent solutions <hr/> Largely advised	<ul style="list-style-type: none"> ▪ Face-to-face in office & digital delivery ▪ Pensions, investment & protection ▪ Active & passive investment solutions ▪ Fee: 100 bps
	 Brewin Portfolio Service	Non-advised self select investment service <hr/> Largely Mass-Market solutions <hr/> Non-advised	<ul style="list-style-type: none"> ▪ Fully automated delivery ▪ Risk rated passive portfolios ▪ Fee: 70 bps

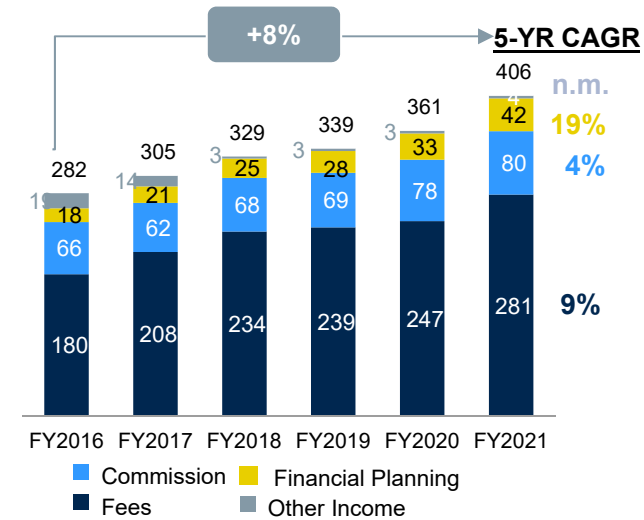
⁽¹⁾ Survey of Brewin Dolphin clients, April 2021; ⁽²⁾ Sourced from Brewin Dolphin's 2021 annual report. Market definitions as follows: Mass Market <£100k; Mass affluent: £100k-£250k; Affluent: £250k-£1M; HNW: £1M-£5M; and UHNW: >£5M

Brewin Dolphin: Strong track record of profitable growth and client activity

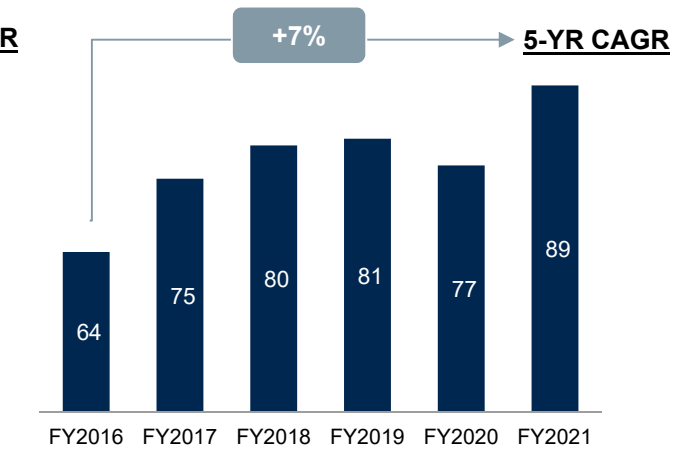
AUM growth (£BN)



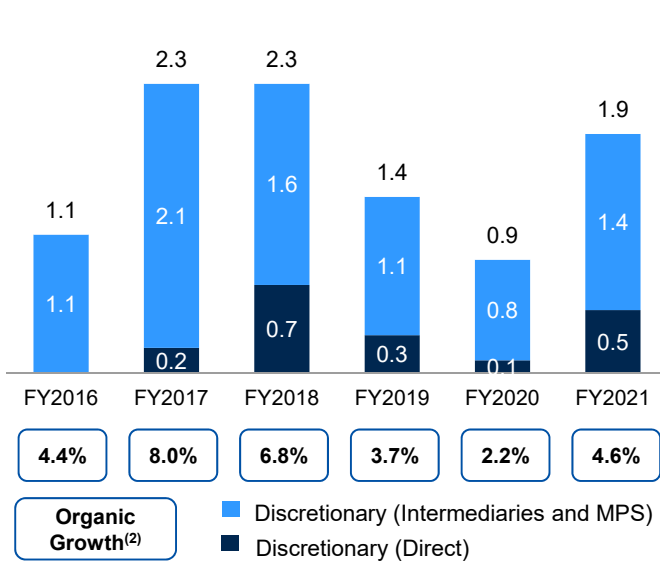
Revenue growth (£MM)



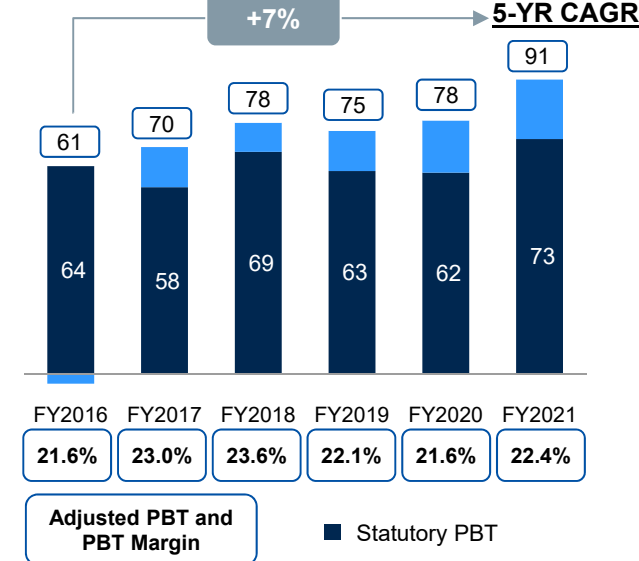
Discretionary funds per advisor (£MM)⁽¹⁾



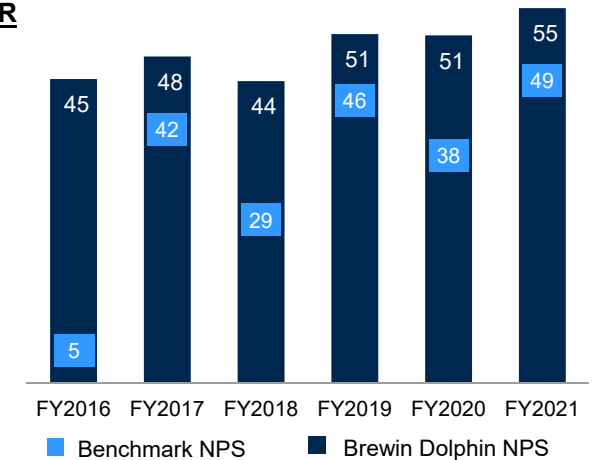
Discretionary net flows (£BN)



Adjusted PBT (£MM) and margins⁽³⁾



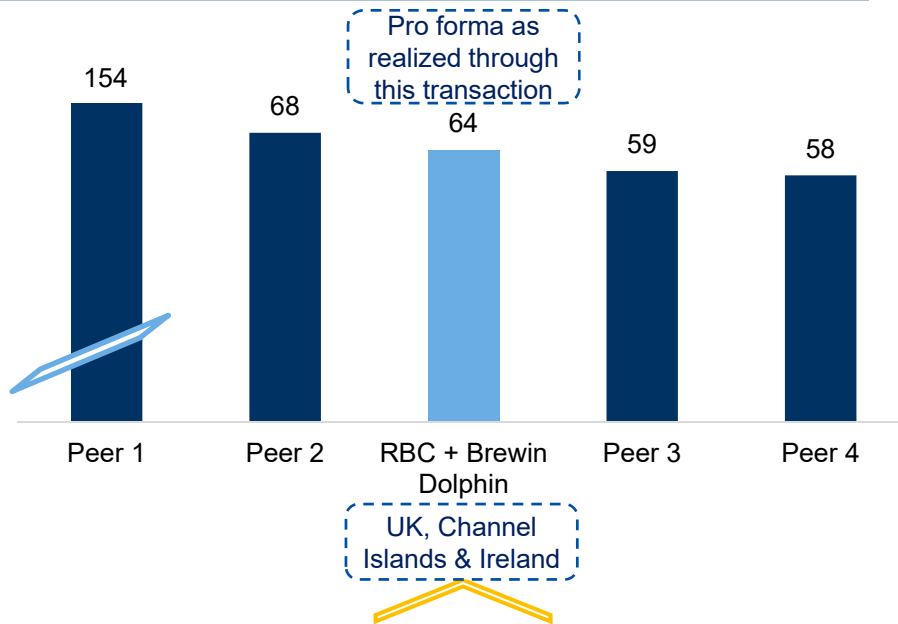
Net Promoter Score⁽⁴⁾



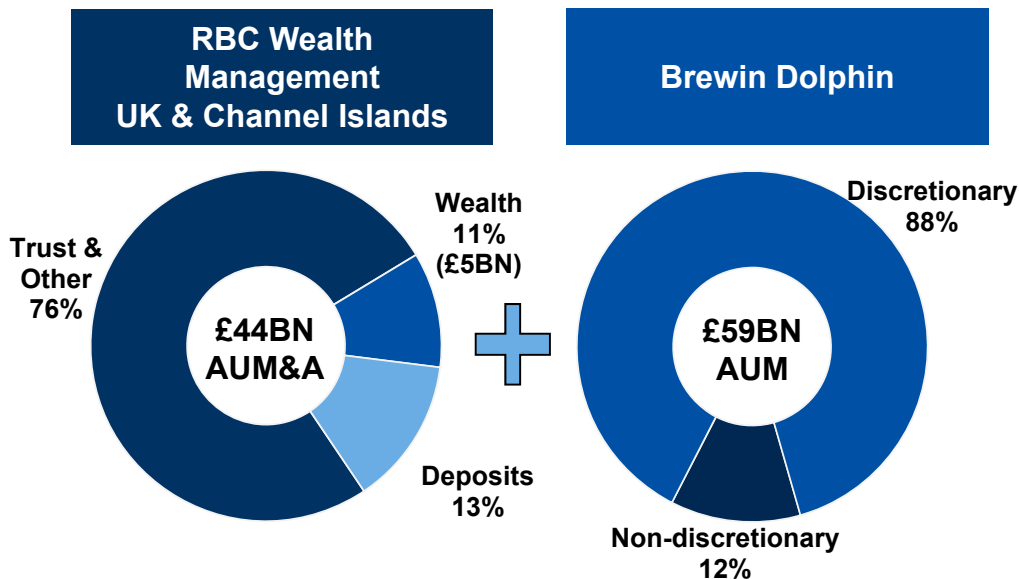
Note: Data sourced from Brewin Dolphin company reports. Fiscal year end September 30th. (1) Year end total value of client funds in discretionary service divided by year end number of client-facing professional investment managers and financial planning staff; (2) Organic growth is discretionary net flows as a % of beginning of period AUM (3) This is a non-GAAP measure. Adjusted PBT is the statutory profit before tax adjusted for the following items; amortisation of client relationships and brand; defined benefit pension scheme past service costs; acquisition costs; incentivisation awards; onerous contracts and other gains and losses. Adjusted PBT margin is calculated by taking the adjusted PBT over the total income. For reconciliation and more information, see slides 9 and 10. (4) An indication of how likely clients are to recommend Brewin Dolphin. Scored from -100% to +100%, measured by a client survey conducted by an independent third party

Brewin Dolphin will enhance and expand RBC's UK & Ireland Wealth Management value proposition

Assets Under Management (£BN)⁽¹⁾



Assets Under Management and Administration

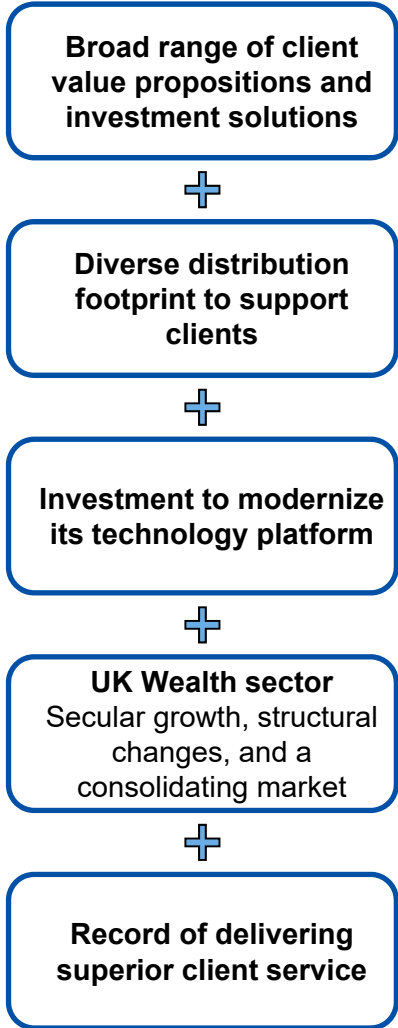
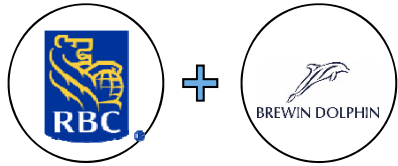


Value proposition

- **Enhanced scale**
 - Acquisition achieves scale in an attractive and consolidating market
 - Combines complementary client-centric cultures
- **Provide more choice for more clients**
 - Broad spectrum of client value propositions to capture a wider demographic of clients and intergenerational wealth transfers
 - Strong opportunity to provide additional investment and leverage RBC's global capabilities and banking expertise to extend the range of products and services available to meet clients' needs, including tailored banking capabilities
- **Expanding distribution channels for the combined business**
 - Enhanced growth by widening distribution channels through business-to-business and strategic partnerships
 - Services offered through Brewin Dolphin's intermediary network include bespoke discretionary management services, a range of managed portfolio strategies and multi asset funds
 - Opportunity to expand Brewin Dolphin's distribution channels through leveraging RBC's global presence
- **Investments to drive efficiencies and accelerate growth**
 - New technology infrastructure to manage and protect customer data following the implementation of new custody and settlement system
 - New front-end to Brewin Portfolio Service (BPS) offering has dramatically improved user experience
 - Accelerates Brewin Dolphin's digital agenda through access to RBC's broader systems, capabilities and network

(1) All Wealth Management AUM figures are as at December 31, 2021 with the exception of Peer 4 which is at December 31, 2020.

Pathway to success



Initiative	Brewin Dolphin FY2021 ⁽¹⁾	Trend
Increase advisor capacity	Discretionary funds per advisor £89MM	↑
Foremost asset gatherers	Discretionary funds inflows 4.6%	↑
Operational efficiencies	Adjusted PBT margin ⁽²⁾ 22.4%	↑
Revenue synergies	Expanded distribution and banking capabilities	
Expense synergies	Overlapping functional and administrative areas	

FY2021 ⁽¹⁾	Brewin Dolphin	Benchmark
Client AUM retention	96%	93% ⁽³⁾
Client satisfaction	8.8 / 10	8.6 / 10
Net promotor score	55%	49%

Medium-term
UK, Channel Islands & Ireland

Combined Revenue CAGR
~9%

Combined Adjusted PBT⁽²⁾
~C\$0.5bn

(1) 2021 financial metrics and benchmark figures sourced from Brewin Dolphin company reports. Fiscal year end September 30th. (2) This is a non-GAAP measure. Adjusted PBT is the statutory profit before tax adjusted for the following items: amortisation of intangibles including client relationships and brand; defined benefit pension scheme past service costs; acquisition costs; incentivisation awards; onerous contracts and other gains and losses. Adjusted PBT margin is calculated by taking the adjusted PBT over the total income. For reconciliation and more information, see slides 9 and 10. (3) Benchmark client AUM retention rate includes Rathbones PLC and Quilter PLC

Transaction overview: Long-term financial benefits

Key Financial Terms and valuation

- 515GBP per common share or ~£1.6BN
- 100% cash consideration
- P / AUM of 2.8%⁽¹⁾

Synergies

- Cost synergies have been identified in overlapping functional and administrative areas and those related to Brewin Dolphin being a publicly listed company
- Compelling opportunities for revenue synergies in the medium term by leveraging the broader network and capabilities of RBC including the provision of tailored banking capabilities

Expected financial impact

- CET1 ratio⁽²⁾ reduction of ~40 bps at the Effective Date⁽³⁾
- Adjusted EPS⁽⁴⁾ accretion of ~1% in the first year following the Effective Date, excluding the benefit of future revenue synergies
- Double-digit IRR⁽⁵⁾ excluding the benefit of future revenue synergies

Regulatory approvals and timing

- Transaction requiring Brewin Dolphin shareholder, and customary regulatory and antitrust approvals
- Anticipated closing by end of third calendar quarter of 2022

Leadership

- Immediately post-acquisition, Brewin Dolphin will operate as a stand-alone subsidiary of RBC, and will continue to be led by the current Brewin Dolphin leadership team
- RBC expects Brewin Dolphin's senior management, investment professionals and financial planners to continue taking a leadership role in the combined business

(1) Price-to-AUM based on AUM of £55BN AUM as at February 28th, 2022; (2) CET1 is calculated using OSFI's Capital Adequacy Requirements (CAR) guideline; (3) Based on RBC's and Brewin Dolphin's estimated balance sheets on the day on which the Acquisition becomes Effective, including transaction related impacts; (4) This is a non-GAAP measure. Adjusted EPS excludes impact of intangibles amortization, dilutive impact of exchangeable shares and certain deal, transaction, integration costs; (5) Internal rate of return

Reconciliation for non-GAAP financial measures

Calculation of Brewin Dolphin adjusted profit before tax (PBT)⁽¹⁾

£ millions (unless otherwise stated)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Profit before tax (PBT) and adjusted items	61.0	70.0	77.5	75.0	78.2	90.9
Adjusted items						
Acquisition costs		(1.7)		(2.3)	(3.6)	(1.5)
Other gains and losses					0.0	0.3
Defined benefit pension scheme past service costs				(1.9)	0.0	(0.4)
Onerous contracts	(0.3)	(2.0)	(0.2)	(1.0)	(0.2)	(3.6)
Incentivisation awards		(1.3)	(1.3)	(0.3)	(1.2)	(2.0)
Amortisation of intangible assets – client relationships and brand	(6.3)	(6.7)	(7.6)	(6.9)	(11.1)	(11.2)
FSCS levy refund			0.3			
Impairment of available-for-sale assets			(0.2)			
Redundancy costs	(2.7)	(0.7)				
One-off migration costs	(1.6)					
Total adjusted items	(10.9)	(12.4)	(9.0)	(12.4)	(16.1)	(18.4)
Statutory profit before tax of discontinued operations	14.0					
Statutory profit before tax (PBT)	64.1	57.6	68.5	62.6	62.1	72.5

Note: Brewin Dolphin fiscal year end September 30th.

Calculation of Brewin Dolphin adjusted profit before tax (PBT) margin⁽¹⁾

£ millions (unless otherwise stated)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Revenue	282.4	304.5	329.0	339.1	361.4	405.9
Profit before tax (PBT) and adjusted items	61.0	70.0	77.5	75.0	78.2	90.9
Adjusted profit before tax (PBT) margin	21.6%	23.0%	23.6%	22.1%	21.6%	22.4%

(1) Source: Brewin Dolphin annual reports.

Note to users

We use a variety of financial measures to evaluate our performance. In addition to generally accepted accounting principles (GAAP) prescribed measures, we use certain key performance and non-GAAP measures we believe provide useful information to investors:

- EPS excluding the *impact of intangibles amortization*, dilutive impact of exchangeable shares *and certain deal, transaction and integration costs* enhances comparability as some institutions do not utilize such structures
- Profit before tax and adjusted items ('adjusted PBT') and adjusted PBT margin ('adjusted measures') are used to measure and report on the underlying financial performance of Brewin Dolphin, aiding comparability between reporting periods.

Readers are cautioned that key performance measures and non-GAAP measures, do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other financial institutions.

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