

Address to Shareholders

by

Dave McKay
President & Chief Executive Officer

to the

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(Check against delivery)



CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, we make written or oral 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. We may make forward-looking statements in this address to shareholders from the 153rd Annual Meeting of Royal Bank of Canada, in filings with Canadian regulators or the SEC, in reports to shareholders and in other communications. Forward-looking statements in this address to shareholders include, but are not limited to, statements relating to our financial performance objectives, vision and strategic goals, environmental, social & governance (ESG) related goals and the outlook for the Canadian and global economies. The forward-looking information contained in this address to shareholders is presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented, as well as our financial performance objectives, vision and strategic goals, 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 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: credit, market, liquidity and funding, insurance, operational, regulatory compliance (which could lead to us being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties and fines), strategic, reputation, competitive, legal and regulatory environment, systemic risks and other risks discussed in the risk sections and Impact of COVID—19 pandemic section of our annual report for the fiscal year ended October 31, 2021 (the 2021 Annual Report) and in the Risk management section of our Q1/2022 Report to Shareholders; including business and economic conditions in the geographic regions in which we operate, information technology and cyber risks, environmental and social risk (including climate change), digital disruption and innovation, Canadian housing and household indebtedness, geopolitical uncertainty, privacy, data and third-party related risks, regulatory changes, culture and conduct, the effects of changes in government fiscal, monetary and other policies, tax risk and transparency and the emergence of widespread health emergencies or public health crises such as pandemics and epidemics, including the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business operations, and financial results, condition and objectives. In addition, as we work to advance our climate goals, external factors outside of our reasonable control may act as constraints on their achievement, including varying decarbonization efforts across economies, the need for thoughtful climate policies around the world, more and better data, reasonably supported methodologies, technological advancements, the evolution of consumer behaviour, the challenges of balancing interim emission goals with an orderly and just transition, and other significant considerations such as legal and regulatory obligations.

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 address to shareholders 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 of our 2021 Annual Report,

as updated by the Economic, market and regulatory review and outlook section of our Q1/2022 Report to Shareholders. Except as required by law, we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

Additional information about these and other factors can be found in the risk sections and Impact of COVID-19 pandemic section of our 2021 Annual Report and in the Risk management section of our Q1/2022 Report to Shareholders.

Thank you Katie, and good morning to all of you joining us virtually.

We certainly hoped today's event would be part of what has been an encouraging return to some familiar patterns of life - reconnecting with friends, colleagues and clients. And yet, our pivot is another reminder that so many people continue to experience significant challenges and disruption due to COVID.

And shockingly, over the past number of weeks we've witnessed a new crisis of global consequence - the baseless war in Ukraine. Like so many government and business leaders around the world, I condemn Russia's invasion.

I am deeply concerned about the threat this presents to global peace and stability, and the humanitarian impact in the region and beyond. RBC moved quickly by donating \$1 million to support humanitarian efforts as well as the refugee crisis. Like all of you, my thoughts are with everyone affected, and we'll continue to consider ways to help those in need.

It's clear we're living in a world where momentous change and disruption have created a new set of complex challenges for society, economies and businesses to manage. This includes geopolitical tensions, rapid inflation, energy shortages, global supply chain issues, and a virus that's not yet eradicated.

Over the past two years, we all came to know what it was like to not be able to see beyond tomorrow, to not know what lay around the corner.

In the face of these dynamics, the world will be shaped by those with a clarity of purpose and conviction to both act today and prepare for tomorrow.

RBC is guided by our Purpose "to help clients thrive and communities prosper." It not only defines who we are, but also how we compete, win, grow and contribute to building a more sustainable future.

With our Purpose as our North Star, even in the face of change, we see tremendous opportunities for RBC and an exciting path forward. My confidence comes from our scale and financial strength, and the powerful combination of our people and culture, winning client franchises, industry-leading technology and valued brand.

This is how we've grown for more than 150 years, and how we will continue to adapt to accelerated change - from evolving customer needs and new digital challengers, to cyber threats and geopolitical risks. We manage short-term challenges while remaining firmly focused on our long-term goals to deliver more value for our clients, employees, communities and shareholders.

It is also how we'll tackle broader societal issues including the climate transition, and economic inclusion. True to our history, RBC is committed to playing a leading role to create positive change.

Looking ahead, I am optimistic that we can build a stronger Canada for the future. A country with an economy that can prosper in a disrupted world, with stronger and more inclusive communities, and one that contributes to a healthier planet.

But to see us through the next decade and beyond, we'll need new playbooks – with stronger public-private partnerships, a greater ability to invest in the future, and the patience to plan and execute for the long-term.

Before I focus on the future, it's important to reflect on where we've been, and the foundation of success that enables our bank's journey forward.

Looking back on 2021, I'm most proud of how our 87,000 employees led RBC through continued change, stepping up for our clients and communities, while supporting each other.

Despite a work environment challenged by lockdowns, RBCers' empathy, care and commitment to those we serve only grew and was the most powerful reflection of our Purpose.

Nowhere was this truer than RBC's annual Employee Giving Campaign where our employees raised \$23 million for over 5,000 charities. I'm so incredibly proud of how our employees contribute to their communities and society more broadly. This is a key ingredient to our employer brand alongside our investments in career growth and development. This combination creates an exceptional employee experience, and employee engagement that exceeds top global firms we benchmark ourselves against.

Importantly, it was their high levels of engagement and deep support for clients which drove RBC's outperformance in 2021, and gives us tremendous confidence in the future.

Across Canadian Banking, Insurance, Wealth Management – including City National - and Capital Markets - all our teams delivered differentiated advice and offerings. This earned RBC record client volumes and more new business than in prior years.

In Canadian Banking, for example we added over \$35 billion in mortgages and \$22 billion in personal deposits in 2021. This led to market share gains in both these important client relationship products. Clients recognized our employees' efforts, and ranked us #1 in customer satisfaction as measured by JD Power.

Strong client volumes and growing market share were consistent themes across many of our other businesses, and these results showcased the benefits from our significant investments in talent and technology. RBC's performance also reflected an improving credit environment, and our prudent approach to risk and cost management.

All of this helped translate into record financial performance in 2021. We earned net income of \$16.1 billion, and earnings per share growth of 41%, year-over-year. We delivered \$6.2 billion in dividends to shareholders and increased our quarterly dividend by 11% in Q4. Since announcing our normal course issuer bid in December 2021, we have actively resumed share buy backs, in line with our commitment to drive long-term value for our shareholders.

Overall, we met all our medium-term financial performance objectives, including earnings per share growth. And we outperformed our global peer group on total shareholder returns over the three- and five-year periods.

Moving to 2022, our underlying business momentum and robust client activity resulted in RBC delivering a very strong first quarter. We earned \$4.1 billion – our second highest on record. Our capital position supported \$1.7 billion in dividends to our largely Canadian shareholder base, as well as almost 9 million of share repurchases

In aggregate we returned nearly \$3 billion to our shareholders. And I'm proud of the fact Moody's upgraded our credit rating to Double A One (Aa1) – amongst the highest globally.

Looking ahead, we see opportunities to further extend RBC's leadership position.

Being "client first" is one of RBC's core values. It all starts with building deep, long-term relationships with our clients – putting them at the centre of everything we do. This means anticipating their evolving

needs, growing our relevancy to them, and providing a wider range of value added services and experiences.

It's fundamentally about building our business from the 'client-in' and we do this by leveraging the power of our size, operational and data scale, and strong balance sheet to deliver differentiated value today and also build for the future. This approach is the hallmark of how RBC has become the largest bank in Canada by market capitalization, and a top bank globally.

Let me share a few examples of how this comes to life.

In Canadian Banking where we hold #1 and #2 market share in all key product categories - our strategy is to drive frictionless client experiences and deliver more value - enabled by significant digital investments. For example, we created MyAdvisor, a free digital advice platform. Since its launch in 2017, close to 3 million clients have activated their personalized investment plans.

Another core tenant of being "client first" is rewarding clients for their relationship with us. Through RBC Vantage, for example, clients are now using their personal debit cards to earn RBC Rewards® points for the first time.

A unique and differentiated element of our strategy is building ecosystems that go beyond banking to enable RBC to participate in a client's life journey in a broader way.

Through RBC Ventures – a startup incubator within the bank, we are creating solutions to meet a wider array of consumer needs. We have 14 Ventures in market – from early stage to national scale up - that have attracted over four million new connections to RBC.

Ownr is a great example. It's a digital platform that enables Canadian entrepreneurs to start, manage, and grow their businesses. Ownr has launched more than 70,000 new Canadian businesses, and driven close to 30,000 new RBC small business accounts since its inception.

And there's Mydoh - a digital app with a Smart Cash Card that helps kids learn and practice money management. This RBC Venture has already reached 55,000 Canadian parents and children. In addition to building these new initiatives we're also boldly moving ahead with other ventures that are looking to shape the future of ecommerce.

While Canadian Banking represents over half of our bank earnings, our client-in approach extends across our core businesses and defines the success of all our other market leading franchises.

In Canadian Wealth Management, we lead the market with a client-centric approach by delivering holistic wealth advice at scale, including wealth planning for families. Through investments in technology, we equip our advisors with digital tools and data-driven insights for their clients and deliver an unmatched advisor experience. And our Global Asset Management business is also a market leader and continues to enhance its product offerings for clients - including in the growing area of ESG – while delivering leading investment performance.

In Capital Markets we have also continued to build our business around our clients and have now become the 9th largest investment bank by fees globally. We build deep relationships with clients and provide global capabilities and an innovative approach to serving their complex and evolving needs. As one example, we were the first Canadian bank to set up a Sustainable Finance business and today we are a top advisor to businesses and governments in this important and growing sector. We're continuing to invest by strengthening our talent in M&A and key verticals like technology and health care which positions us to win key client mandates.

Turning to City National Bank – our business has tripled over the past 5 years by focusing on the evolving needs of commercial and private banking clients - and investing in technology and operational infrastructure, including mobile banking and treasury management platforms. City National also launched, and is rapidly expanding, its mid-market commercial banking strategy which has already generated \$4B in loans.

In US Wealth Management we have modernized our business by building and scaling new advisory and secured lending platforms, while adding more products and talent to support clients and drive future growth.

The combination of these two franchises along with Capital Markets provides a strong platform for continued growth in the U.S. - our second home market.

And, with the strength of our capital position, we have significant financial flexibility to invest in organic growth, further share buybacks and also explore acquisitions that align with our strategy and geographic footprint. Just last week you saw us announce a deal to buy British wealth management firm Brewin Dolphin, which will make us a top three wealth manager in the UK.

These are just a few of the examples of the RBC way – how we anticipate, adapt, and build for the future through our client-in strategy.

And we bring this same approach to help tackle some of society's biggest issues and opportunities.

While I remain optimistic about the economic recovery, the road ahead won't be without challenges, and we need to ensure any bumps along the way don't divert us from the journey towards a more sustainable future.

Let's start with where we are. The Canadian and global economies entered 2022 with strong economic activity and employment numbers. However, the invasion in Ukraine, and inflation worries, along with supply chain disruptions, labour shortages and rising interest rates, have scaled back growth forecasts for this year and next.

RBC Economics estimates there is \$310 billion dollars in excess household savings and \$112 billion in excess corporate savings in Canada, and in the U.S. that number is \$4.3 trillion. Those savings have the potential to be a catalyst for significant short and long term economic growth, but also further inflation – including price trends in real estate that have been exacerbated by the lack of affordable housing.

To productively manage this excess surplus, we need policies that encourage savings to flow into productive investments.

This will require a better approach to public/private collaboration, because we know markets can't solve all these challenges on their own - nor can government. So we need a plan that enables business and government to work together in ways that respect what each other does best. One that supports and celebrates risk-taking, entrepreneurship and innovation. And a "get it done" attitude.

Nowhere is this more important than addressing climate change.

The Canadian government has laid out an ambitious plan for our country to quickly cut emissions, aligned with the Paris Agreement.

This plan will lead to a massive shift in this decade, in the cars we drive and the way we fuel our homes. It will push sectors, notably oil and gas - which accounts for roughly 10 percent of our national economy - to invest tens of billions in new carbon capture technology. And it will require farmers to

capture and cut emissions even as they expand production and exports to meet growing global demand.

This could be the story of Canada's decade to dramatically cut greenhouse gas emissions while also selling lower emission products to the world.

RBC's recent report, the \$2 Trillion Transition, estimates we will need to mobilize \$80 billion a year – or about four times what we now invest in the climate transition, to get there.

To help create a more robust investment in climate for the net zero economy we will also need public and private capital to support both growth and the green transition. That's why investment and tax policies as well as incentives must be considered.

Now is the time to put excess capital to work and invest in the entrepreneurs and innovators who can develop technology, scale production and sell those green solutions to the world.

For our part, RBC is fully committed to supporting a net zero emissions economy by 2050.

That's why we introduced our four-pillar climate strategy last October which details the role RBC will play:

First, we'll work closely with our clients on their net-zero strategies by expanding our products, services and client solutions, highlighted by our \$500 billion sustainable financing commitment. I'm encouraged that so many indigenous communities are helping lead this long-term transition, taking up ownership positions in energy projects and pipelines, and adding traditional knowledge to ensure the transition is just, and orderly.

Second, we're holding ourselves accountable to evolve our net-zero business plan, disclose financed emissions, and publish emission reduction goals for clients in our oil and gas, power & utilities, and automotive & transportation portfolios – which we plan to do this fall. This work aligns with our commitment to net-zero emissions in our lending by 2050.

Third, we'll inform and inspire our communities to get to net zero. We'll do this by publishing research on climate issues and policies, championing climate literacy and awareness, and fostering climate innovation. This includes our pledge of \$100-million by 2025 through RBC Tech for Nature. This program, supports universities and charities developing solutions to address climate change.

And fourth, we have committed to reduce global emissions in our own operations by 70%, by 2025.

This approach supports Canada's ambition to lead the world through a balanced energy transition.

Which brings me to another key area of focus – People

Canada has a lot of advantages that make us a destination of choice for top talent.

But to meet Canada's broader growth agenda and respond to the climate challenge, we need to transform the way we learn and train Canadians on the skills and innovation required for the future.

For example, a recent RBC report called Green Collar Jobs calls out the potential impact on 3.1 million Canadian jobs in the next decade, and the need to build the kind of workforce required to drive the net zero transition. We will need Ottawa and the provinces, along with employers, to enhance Canada's approaches to immigration, reskilling and certification for a net zero economy.

In response to the need for a skills revolution, we created RBC Future Launch – our 10 year/\$500MM commitment to focus on the future of work.

I am proud that we have increased our Future Launch goal to now reach 4 million young people, with tools, scholarships and partnerships to help youth prepare for this new age of opportunity.

Our schools, colleges and universities have responded with important strides that make Canada's education system among the world's best. But if we don't remodel the way we teach and learn, we won't succeed.

An example of a new model is the Business and Higher Education Roundtable, an organization I am proud to Chair. BHER is a coalition of employers and educators focusing on the future of learning, including how students can gain more relevant experience while they're in school. We have a target to secure 40,000 work-integrated learning placements, and will soon try to expand that through international students, who are so critical to Canada's future labour force and economy.

BHER is also focusing on how to ensure our excellent colleges and universities can help all Canadians develop the skills they will need for the ongoing digital revolution and energy

transformation. We believe a national skills commitment needs to be at the centre of our net zero strategy.

Across all of these themes I have touched on, success will be defined by how we work together – something Canadians are good at, especially in times of uncertainty.

In doing so, we can create prosperity and jobs for Canadians, and position our economy for long-term sustainable growth.

To close, let me go back to where I began. Those with a clear purpose and strong principles will prevail in both the short and the long run.

And I believe RBC is well-positioned to do just that. To grow and create even more value for all of its stakeholders. We have the best people, ideas and technology, supported by a globally trusted brand.

Our scale and market-leading client franchises enable us to continue making bold investments to reimagine the role we play with new and existing clients.

And we will continually strive to grow in an inclusive and sustainable way.

The combination of our performance, momentum and a building sense of optimism around a sustained recovery gives me confidence in the future.

I want to thank each and every one of our employees for their contributions to living our Purpose, especially over these past two years. Their efforts have made all the difference.

I also want to thank our investors and shareholders – for placing your continued confidence in RBC.

And finally, I want to thank Katie Taylor our Chair and the entire Board of directors, whose ongoing support and guidance is helping RBC build a more prosperous future for all those we serve.

Thank you.