



Royal Bank of Canada

Pillar 3 Report

As at July 31, 2024

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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 Pillar 3 Report, our 2023 Annual Report, in other filings with Canadian regulators or the SEC, in other reports to shareholders including our Q3 2024 Report to Shareholders, and in other communications. In addition, our representatives may communicate forward-looking statements orally to analysts, investors, the media and others. Forward-looking statements are typically identified by words such as “believe”, “expect”, “suggest”, “seek”, “foresee”, “forecast”, “schedule”, “anticipate”, “intend”, “estimate”, “goal”, “commit”, “target”, “objective”, “plan”, “outlook”, “timeline”, and “project” and similar expressions of future or conditional verbs such as “will”, “may”, “might”, “should”, “could”, “can” or “would” or negative or grammatical variations thereof. By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature, 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 that our financial performance objectives, vision and strategic goals will not be achieved 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 our forward-looking statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. Additional information about certain risk factors can be found in the Caution regarding forward-looking statements and risk sections of our 2023 Annual Report and the Risk management section of our Q3 2024 Report to Shareholders. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider such risk factors and other uncertainties and potential events, as well as the inherent uncertainty of forward-looking statements. 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.

About Royal Bank of Canada

Royal Bank of Canada is a global financial institution with a purpose-driven, principles-led approach to delivering leading performance. Our success comes from the 100,000+ employees who leverage their imaginations and insights to bring our vision, values and strategy to life so we can help our clients thrive and communities prosper. As Canada’s biggest bank, and one of the largest in the world based on market capitalization, we have a diversified business model with a focus on innovation and providing exceptional experiences to our more than 18 million clients in Canada, the U.S. and 27 other countries. Learn more at [rbc.com](https://www.rbc.com).

Currently we are organized into four business segments: Personal & Commercial Banking, Wealth Management, Insurance, and Capital Markets. Effective Q4 2024, the Personal & Commercial Banking segment will become two standalone business segments: Personal Banking and Commercial Banking. With this change, RBC Direct Investing will move from Personal & Commercial Banking to the Wealth Management segment. This realignment will be reflected in our 2024 Annual Report. Our business segments are supported by Corporate Support, which consists of Technology & Operations and Functions. Technology & Operations provides the technological and operational foundation required to effectively deliver products and services to our clients, while Functions includes our finance, human resources, risk management, internal audit and other functional groups, as well as our corporate treasury function.

Capital framework

Our consolidated regulatory capital requirements are determined by guidelines issued by the Office of the Superintendent of the Financial Institutions (OSFI), which are based on the Basel III framework (inclusive of the 2017 Basel III reforms) adopted by the Basel Committee on Banking Supervision (BCBS).

The Basel III framework integrates three “Pillars” to establish a robust foundation for banking supervision and financial stability:

- Pillar 1 prescribes minimum capital requirements and addresses capital adequacy, including standards for calculating risk-weighted assets (RWA);
- Pillar 2 requires the establishment of internal assessment processes and supervisory review to evaluate the risk profile and capital adequacy of banks; and
- Pillar 3 enhances the consistency and comparability of risk and capital profiles between banks and across jurisdictions for market participants through meaningful disclosures.

Under Basel III, banks use defined approaches to calculate their minimum regulatory capital required to support various risks and exposure types including credit risk, counterparty credit risk, credit valuation adjustment risk, market risk, operational risk, and securitizations exposures. Refer to the Capital management section of our 2023 Annual Report as updated in our Q3 2024 Report to Shareholders for further information on calculation approaches. Refer to the following sections in this report for further information on:

- Capital
- Credit Risk
- Counterparty Credit Risk
- Credit Valuation Adjustment Risk
- Market Risk

Capital framework (continued)

- Operational Risk
- Securitization Exposures

In December 2018, the BCBS issued its consolidated Pillar 3 disclosure requirements, *Pillar 3 disclosure requirements – updated framework*. The finalized requirements incorporated revisions and additions to the Pillar 3 framework arising from the finalization of the Basel III reforms in December 2017, such as additional disclosure requirements comparing RWA as determined by banks' internal models against results based on the Standardized Approach (SA), and new disclosure requirements on operational risk. On January 31, 2022, OSFI finalized its revised Pillar 3 guideline with an implementation date requirement of April 30, 2023. Beginning Q2 2023, our Pillar 3 disclosures reflect the finalized OSFI disclosure guideline requirements. On November 11, 2021, BCBS finalized revisions to its market risk disclosures. On November 14, 2023, OSFI released a revised Pillar 3 guideline incorporating these market risk and credit valuation adjustment risk (CVA) disclosure requirements. We have incorporated these updated disclosure requirements in our Pillar 3 Report.

Our reported figures reflect OSFI's domestic stability buffer (DSB) guidance of 3% of RWA effective February 1, 2023 which subsequently increased 50 bps to 3.5% of RWA effective November 1, 2023, as fully described in the Capital management section of our 2023 Annual Report. On June 18, 2024, OSFI reaffirmed the DSB will remain at 3.5% of RWA.

On February 1, 2023 (Q2 2023), we adopted OSFI's revised capital and disclosure guidelines incorporating and implementing OSFI's first phase of the adoption of the final BCBS Basel III reforms. On November 1, 2023, we adopted the second phase of OSFI's implementation relating to the revised CVA risk and market risk chapters of the Capital Adequacy Requirements (CAR) guideline. The revised CAR guidelines adopted and implemented in the beginning of Q2 2023 and Q1 2024 reflect the following notable changes:

- For IRB portfolios, elimination of a 6% regulatory scaling factor applied to RWA generated by internal models and introduction of prescribed supervisory parameters applicable to certain asset classes within our wholesale portfolio.
- Adoption of a new Operational risk Standardized Approach framework based on a bank's 3 years of average income and 10 years of historical losses.
- Adoption of a new Credit Risk Standardized Approach framework enhancing risk sensitivity.
- Adoption of a new Standardized Approach framework for Market Risk incorporating the Fundamental Review of the Trading Book (FRTB) revisions.
- Adoption of the Basic Approach framework for calculating CVA Risk.
- Prescribed revisions to the existing regulatory capital floor from 70% to 65% requiring a transition to a new regulatory capital floor of 72.5% of RWA under the SA by 2026. This new regulatory floor will be transitioned over three years, reflecting a regulatory capital floor requirement of 67.5%, 70% and 72.5% in, fiscal 2024, 2025 and 2026, respectively.

On July 5, 2024, OSFI announced a one-year delay to the increase in the capital floor factor, maintaining the current 67.5% of RWA (as calculated using only SA for credit, market and operational risk) factor throughout 2024 and 2025, and delaying the 70% factor implementation from 2025 to 2026, and the 72.5% factor implementation from 2026 to 2027.

Given substantial changes to credit risk, market risk, operational risk and CVA risk frameworks, OSFI required only prospective disclosures under the Pillar 3 guidelines. As such, our comparative credit risk and operational risk figures for Q1 2023 reflect our credit risk and operational risk capital position under the earlier OSFI CAR guidelines. Our comparative market risk and CVA figures for fiscal 2023 and earlier reflect our capital position under the earlier guidelines as well.

On March 28, 2024, we completed the acquisition of HSBC Bank Canada (HSBC Canada). HSBC Canada exposures for capital purposes have been consolidated from the closing date and are included in our Pillar 3 Report. We applied our IRB approach to HSBC Canada exposures except for certain credit risk portfolios subject to SA, which were primarily certain non-mortgage retail portfolios acquired through the HSBC Canada acquisition. Refer to the Key corporate events and Capital management sections of our Q2 2024 Report to Shareholders on additional details related to our HSBC Canada acquisition.

Refer to the Capital management section of our Q3 2024 Report to Shareholders for further information on upcoming regulatory developments which were announced during the quarter.

Leverage framework

OSFI's Leverage Requirements (LR) guideline requires banks to disclose their leverage ratio and its underlying components as well as maintain a minimum leverage ratio of 3.5% for domestic systemically important banks (D-SIBs). The leverage ratio is defined as the capital measure divided by the leverage exposure measure. The capital measure is defined as Tier 1 capital and the leverage exposure measure is the sum of (a) on-balance sheet exposures; (b) derivative exposures; (c) securities financing transaction (SFT) exposures; and (d) off-balance sheet items.

Unmanaged leverage can lead to unwarranted corrective measures due to excessive exposure growth or capital reduction, causing detriment to the bank's balance sheet and overall shareholders' wealth. Maintaining a prescribed minimum level of leverage helps neutralize leverage risk in the event of unexpected economic crises.

The BCBS introduced an additional leverage ratio buffer requirement for global systemically important banks (G-SIB) as part of the Basel III reforms. A G-SIB's leverage ratio must be met with Tier 1 capital and is set at 50% of a G-SIB's higher-loss absorbency risk-weighted requirement. This minimum leverage requirement was incorporated into OSFI's LR guideline as part of the 3.5% D-SIB requirement.

On February 1, 2023, we adopted OSFI's revised LR guideline which incorporates the internationally agreed BCBS leverage reforms with certain jurisdictional amendments. Our leverage calculations reflect the changes prescribed by OSFI. Disclosure requirements for LR were not affected by OSFI's updated Pillar 3 disclosure requirements.

On March 28, 2024, we completed the acquisition of HSBC Canada. HSBC Canada leverage exposures have been consolidated from the closing date and are included in our Pillar 3 Report leverage disclosures. Refer to the Key corporate events of our Q2 2024 Report to Shareholders on additional details related to our HSBC Canada acquisition. Refer to our Leverage disclosures included in this report, as required by OSFI.

TLAC framework

The Canadian Bail-in regime, including OSFI's Total Loss Absorbing Capacity (TLAC) guideline, came into effect on September 23, 2018. The purpose of the TLAC requirement is to address the sufficiency of a Canadian D-SIB's loss absorbing capacity in supporting its recapitalization in the event of its failure. TLAC is defined as the aggregate of Tier 1 capital, Tier 2 capital, and other TLAC instruments (senior bail-in debt), which includes senior unsecured debt with an original term to maturity of greater than 400 days and remaining term to maturity of greater than 365 days. Under the Bail-in regime, claims of some creditors whose claims otherwise rank equally with those of the holders holding bail-inable notes would be excluded from a bail-in conversion and thus the holders and beneficial owners of bail-inable notes will have to absorb losses ahead of these other creditors as a result of the bail-in conversion.

TLAC requirements establish two minimum standards, which were required to be met effective November 1, 2021: the risk-based TLAC ratio, which builds on the risk-based capital ratios described in the CAR guideline, and the TLAC leverage ratio, which builds on the leverage ratio described in OSFI's LR guideline. The risk-based TLAC ratio is defined as TLAC divided by Total risk-weighted assets while the TLAC leverage ratio is defined as TLAC divided by the Leverage ratio exposure. The current OSFI requirement for D-SIBs is to maintain a minimum TLAC ratio of 25% (inclusive of the DSB of 3.5%) before considering the countercyclical capital buffer and a TLAC leverage ratio of 7.25%. Prior TLAC ratio minimum requirements were 24% in Q1 2023 and 24.5% for the remaining fiscal 2023 quarters. Our TLAC leverage ratio minimum requirement beginning Q2 2023 was 7.25% reflecting incorporation of a 50 bps leverage buffer discussed in the Leverage framework section above.

We began issuing TLAC eligible debt in Q4 2018 and our TLAC ratio is expected to increase through normal course refinancing of maturing debt. More details on our TLAC issuance is available in our Capital management section of our Q3 2024 Report to Shareholders.

In May 2018, OSFI published its TLAC Disclosure guideline for Canadian D-SIBs. The disclosure requirements reflect the BCBS TLAC disclosure requirements. Refer to our TLAC disclosures included in this report, as required by OSFI.

DISCLOSURE MAP

Pillar 3 Requirement	Pillar 3 Requirement	2023 Annual Report section	Sub-section	2023 Annual Report Reference	
Overview of key metrics, risk management and RWA	KM1				
	a) Business model and risk profile	Top and emerging risks	Top and emerging risks	63-65	
		Risk management overview	Risk management principles	65	
			Risk drivers	66	
		Enterprise risk management	Risk governance	66-67	
			Risk appetite	68	
			Risk measurement	68-69	
			Risk control	69-70	
		b) Risk governance structure	Enterprise risk management	Risk governance	66-67
				Risk control	69-70
		c) Communication and enforcement of risk culture within the bank	Operational risk	Culture and conduct risk	102
	d) Scope and main features of risk measurement systems	Enterprise risk management	Risk measurement	68-69	
	e) Risk information reporting	Enterprise risk management	Risk control - <i>Risk monitoring and reporting</i>	70	
	f) Stress testing	Enterprise risk management	Risk measurement – <i>Stress testing</i>	69	
		Market risk	Stress tests	81	
		Systemic risk	Systemic risk	105-106	
	g) Strategies and processes applied to manage, hedge and mitigate risks	Enterprise risk management	Risk appetite	68	
			Risk measurement	68-69	
			Risk control	69-70	
		Credit risk	Overview	71	
			Credit risk measurement	71-72	
			Credit risk assessment	72-74	
			Credit risk mitigation	74	
			Credit risk approval	75	
			Credit risk administration	75	
		Market risk	Market risk controls – FVTPL positions, including trading portfolios	81	
			Stress tests	81	
			Market risk controls – Interest Rate Risk in the Banking Book (IRRBB) positions	83	
			IRRBB measurement	83	
			Non-trading foreign exchange rate risk	84	
		Liquidity and funding risk	Overview	86	
			Governance of liquidity risk	86-87	
			Liquidity risk mitigation strategies and techniques	87	
			Risk measurement and internal liquidity reporting	87-88	
			Contingency liquidity risk management and funding plans	88	
			Funding	90-92	
			Liquidity Coverage Ratio (LCR)	94-95	
			Net Stable Funding Ratio (NSFR)	95-97	
		Insurance risk	Insurance risk	100	
		Operational risk	Overview	100	
Operational risk framework			100-101		
Regulatory compliance risk		Regulatory compliance risk	102-103		
Strategic risk		Strategic risk	103		
Reputation risk		Reputation risk	103-104		
Legal and regulatory environment risk	Legal and regulatory environment risk	104-105			
Competitive risk	Competitive risk	105			
Systemic risk	Systemic risk	105-106			
Environmental and social risk	Environmental and social risk (including climate change)	107-109			

DISCLOSURE MAP (continued)

Pillar 3 Requirement	Pillar 3 Requirement	2023 Annual Report section	Sub-section	2023 Annual Report Reference	
Overview of key metrics, risk management and RWA (continued)	g) Strategies and processes applied to manage, hedge and mitigate risks (continued)	Consolidated Financial Statements	Note 9 – Derivative financial instruments and hedging activities - <i>Derivatives issued for trading purposes</i>	191	
			Note 9 – Derivative financial instruments and hedging activities - <i>Derivatives issued for other-than-trading purposes</i>	191	
			Note 9 – Derivative financial instruments and hedging activities - <i>Derivative-related credit risk</i>	193-194	
Linkages between financial statements and regulatory exposures	OV1				
	LI1				
	LI2				
Composition of Capital	LIA				
	CC1				
	CC2				
Macroprudential supervisory measures	CCA ¹	Main features of regulatory capital instruments and of other TLAC-eligible instruments			
	GSIB ²	Disclosure of G-SIB indicators			
Credit risk	CRA	a) Translation of the business model into the components of the bank's credit risk profile	Credit risk	Overview	71
				Measurement of economic and regulatory capital - <i>Gross credit risk exposure</i>	72
		b) Criteria and approach used for defining credit risk management policy and for setting credit risk limits	Enterprise risk management	Risk governance	66-67
				Risk appetite	68
				Risk measurement	68-69
				Risk control - <i>Risk appetite, risk approval authorities and risk limits</i>	70
		c) Structure and organization of the credit risk management and control function	Credit risk	Overview	71
				Credit risk assessment	72-74
				Credit risk mitigation	74
				Credit risk approval	75
		d) Interaction between the credit risk management, risk control, compliance and internal audit functions	Enterprise risk management	Risk governance	66-67
				Risk control	69-70
		e) Scope and content of the reporting on credit risk exposure to the executive management and to the board of directors	Enterprise risk management	Risk governance	66-67
				Risk control - <i>Risk monitoring and reporting</i>	70
		CR1			
CR2					
a) Definitions of past due	CRB	Consolidated Financial Statements	Note 2 – Summary of significant accounting policies, estimates and judgments - Allowance for credit losses - <i>Definition of default Credit impaired financial assets (Stage 3)</i>	151	
			Note 5 – Loans and allowance for credit losses - <i>Loans past due but not impaired</i>	185	
			Note 5 – Loans and allowance for credit losses - <i>Loans past due but not impaired</i>	185	

¹ CCA is available at <https://www.rbc.com/investor-relations/regulatory-information.html>.

² G-SIB is provided on page 44 of our Q1 2024 Report to Shareholders available at [Financial Information - RBC](#).

DISCLOSURE MAP (continued)

Pillar 3 Requirement	Pillar 3 Requirement	2023 Annual Report section	Sub-section	2023 Annual Report Reference	
Credit risk (continued)	CRB (continued)	c) Description of methods used for determining accounting provisions for credit losses	Consolidated Financial Statements	Note 2 – Summary of significant accounting policies, estimates and judgments - Allowance for credit losses	149
		Description of the categorization of ECL accounting provisions (general and specific) for standardized approach exposures	n/a	n/a – For regulatory calculations under both the Standardized and IRB approaches, the IFRS 9 stage 3 allowances are considered to be specific allowances and the IFRS 9 stage 1 and stage 2 allowances are considered to be general allowances	
		d) Definition of a restructured exposure	Consolidated Financial Statements	Note 2 – Summary of significant accounting policies, estimates and judgments - Allowance for credit losses - <i>Modifications</i>	151-152
		e) Breakdown of exposures by geographical areas, industry and residual maturity			
		f) Amounts of impaired exposures (according to the definition by the bank for accounting purposes) and related allowances and write-offs, broken down by geographical areas and industry			
		g) Ageing analysis of accounting past-due exposures			
		h) Breakdown of restructured exposures between impaired and not impaired exposures			
		CRC	a) Core features of policies and processes for, and an indication of the extent to which the bank makes use of, on- and off-balance sheet netting	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>
	Consolidated Financial Statements			Note 9 – Derivative financial instruments and hedging activities - <i>Derivative-related credit risk</i> Note 30 – Offsetting financial assets and financial liabilities	193-194 229-230
	b) Core features of policies and processes for collateral evaluation and management		Credit risk	Credit risk mitigation - <i>Collateral</i>	74
	c) Information about market or credit risk concentrations under the credit risk mitigation instruments used		Credit risk	Credit risk mitigation	74
			Consolidated Financial Statements	Credit risk approval - <i>Credit risk limits</i> Note 9 – Derivative financial instruments and hedging activities	75 190-199
	CR3				
	CRD				
	CR4				
CR5					
CR6					
CR7					
CR8					
CR9 ³					
CR10		n/a	n/a	n/a	

³ Requirement for disclosure of this table is only annual.

DISCLOSURE MAP (continued)

Pillar 3 Requirement	Pillar 3 Requirement	2023 Annual Report section	Sub-section	2023 Annual Report Reference	
Counterparty credit risk	CCRA	a) Risk management objectives and policies related to counterparty credit risk	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>	73
			Consolidated Financial Statements	Note 9 – Derivative financial instruments and hedging activities - <i>Derivative-related credit risk</i>	193-194
		b) The method used to assign the operating limits defined in terms of internal capital for counterparty credit exposures and for CCP exposures	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>	73
		c) Policies relating to guarantees and other risk mitigants and assessments concerning counterparty credit risk, including exposures towards CCPs	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>	73
			Consolidated Financial Statements	Note 9 – Derivative financial instruments and hedging activities - <i>Derivative-related credit risk</i>	193-194
			Consolidated Financial Statements	Note 30 – Offsetting financial assets and financial liabilities	229-230
		d) Policies with respect to wrong-way risk exposures	Credit risk	Credit risk assessment – <i>Wrong-way risk</i>	74
	e) The impact in terms of the amount of collateral that the bank would be required to provide given a credit rating downgrade	Liquidity and funding risk	Credit ratings	93	
	CCR1				
	CCR3				
	CCR4				
CCR5					
CCR6					
CCR8	f) Exposures to central counterparties				
Credit Valuation Adjustment (CVA)	CVAA ⁴	a) Risk management activities related to CVA, including hedging	n/a	n/a	n/a
		b) Whether the bank has made election to set CVA capital requirements equivalent to Counterparty credit risk	n/a	n/a	n/a
	CVA2				
Securitization	a) Objectives in relation to securitization activities	Off-balance sheet arrangements	Off-balance sheet arrangements	60-63	
		Consolidated Financial Statements	Note 7 – Derecognition of financial assets	185-186	
		Consolidated Financial Statements	Note 8 – Structured entities	186-190	
	b) List of SPEs where RBC is sponsor / provides implicit support	Consolidated Financial Statements	Note 8 – Structured entities	186-190	
	c) Accounting policies for securitization	Consolidated Financial Statements	Note 2 – Summary of significant accounting policies, estimates and judgments – <i>Basis of consolidation</i>	145-146	
			Note 2 – Summary of significant accounting policies, estimates and judgments – <i>Derecognition of financial assets</i>	152	
		Critical accounting policies and estimates	Consolidation of structured entities	120	
	d) the names of external credit assessment institutions (ECAIs) used for securitizations and the types of securitization exposure for which each agency is used	Capital management (also refer to CRD in this document)	Regulatory capital approach for securitization exposures	117-118	
	e) Use of Basel IAA for capital purposes	Credit risk	n/a	71-81	
Capital management		Regulatory capital approach for securitization exposures	117-118		

⁴ Qualitative disclosures will be applicable only in Q4 2024.

DISCLOSURE MAP (continued)

Pillar 3 Requirement	Pillar 3 Requirement		2023 Annual Report section	Sub-section	2023 Annual Report Reference
Securitization (continued)	SECA <i>(continued)</i>	f) Use of other internal assessment for capital purposes	Credit risk	Credit risk assessment	72-74
	SEC1	Securitization exposures in the banking book			
	SEC2	Securitization activities in the trading book			
	SEC3	Securitization exposures in the banking book and associated regulatory capital requirements - bank acting as originator or as sponsor			
	SEC4	Securitization exposures in the banking book and associated capital requirements - bank acting as investor			
Market risk	MRA	a) Strategies and processes implemented to identify, measure, monitor and control the bank's market risks	Market risk	Market risk controls – FVTPL positions, including trading portfolios	81
				Stress tests	81
				Market risk measures – FVTPL positions	82-83
				Market risk measures for assets and liabilities of RBC Insurance	83
				Market risk controls – Interest Rate Risk in the Banking Book (IRRBB) positions	83
				IRRBB measurement	83
				Market risk measures – IRRBB Sensitivities	83-84
				Market risk measures for other material non-trading portfolios	84
	Policies for hedging risk and strategies/processes for monitoring the continuing effectiveness of hedges	Consolidated Financial Statements	Note 2 – Summary of significant accounting policies, estimates and judgements – <i>Hedge accounting</i>	153-154	
	Policies for designating positions as trading, including stale positions and monitoring these positions. Description of non-typical trading or banking book categorization and any moves between banking book and trading. Description of internal risk transfers and types of internal risk transfer desks. ⁴	n/a	n/a	n/a	
	b) Description of the market risk governance structure established to implement the strategies and processes of the bank	Enterprise risk management	Risk governance	66-67	
			Risk appetite	68	
			Risk measurement	68-69	
			Risk control	69-70	
			Risk measurement – <i>Stress testing</i>	69	
			Operational risk	Culture and conduct risk	102
		Enterprise risk management	Risk measurement	68-69	
			Risk control	69-70	
			Risk measurement – <i>Stress testing</i>	69	
			Market risk	Market risk controls – FVTPL positions, including trading portfolios	81
Stress tests				81	
Market risk measures – FVTPL positions				82-83	
Market risk measures for assets and liabilities of RBC Insurance	83				
Market risk controls – Interest Rate Risk in the Banking Book (IRRBB) positions	83				
IRRBB measurement	83				
Market risk measures – IRRBB Sensitivities	83-84				
Market risk measures for other material non-trading portfolios	84				
c) Scope and nature of risk reporting and/or measurement systems	Market risk	Market risk controls – FVTPL positions, including trading portfolios	81		
		Stress tests	81		
		Market risk measures – FVTPL positions	82-83		
		Market risk measures for assets and liabilities of RBC Insurance	83		
		Market risk controls – Interest Rate Risk in the Banking Book (IRRBB) positions	83		
		IRRBB measurement	83		
		Market risk measures – IRRBB Sensitivities	83-84		
		Market risk measures for other material non-trading portfolios	84		

⁴ Qualitative disclosures will be applicable only in Q4 2024.

DISCLOSURE MAP (continued)

Pillar 3 Requirement	Pillar 3 Requirement	2023 Annual Report section	Sub-section	2023 Annual Report Reference	
Market risk (continued)	MR1				
Prudential valuation adjustments	PV1 ³	Prudential valuation adjustments made for assets valued at fair value			
Operational Risk	ORA	a) Policies, frameworks and guidelines for the management of operational risk	Operational risk	Overview	100
				Operational risk framework	100-101
		b) The structure and organisation of their operational risk management and control function	Operational risk	Overview	100
				Operational risk framework	100-101
		(c) Operational risk measurement system	Operational risk	Operational risk framework	100-101
				Operational risk capital	102
	(d) The scope and main context of the reporting framework on operational risk to executive management and to the board of directors	Operational risk	Operational risk framework	100-101	
			Culture and conduct risk	102	
	(e) The risk mitigation and risk transfer used in the management of operational risk including mitigation by policy, divesting from high-risk businesses, and by the establishment of controls	Operational risk	Operational risk framework	100-101	
	OR1 ³				
OR2 ³					
OR3 ³					
Standardized Risk Weighted Comparison	CMS1	Comparison of modelled and standardised RWA at risk level			
	CMS2	Comparison of modelled and standardised RWA for credit risk at asset class level			
Countercyclical Capital Buffer	CCyB	Geographical distribution of credit exposures used in the countercyclical buffer			
Leverage	LR1				
	LR2				
Total loss absorbing capacity	KM2				
	TLAC1				
	TLAC2				
	TLAC3				

³ Requirement for disclosure of this table is only annual.



DISCLOSURE MAP (continued)

Pillar 3 Requirement	Pillar 3 Requirement		2023 Annual Report section	Sub-section	2023 Annual Report Reference
Liquidity	LIQA ⁵	Liquidity and Funding Risk Management	Liquidity and Funding Risk		86-99
	LIQ1 ⁵	Liquidity Coverage Ratio (LCR)		Liquidity Coverage Ratio (LCR)	94-95
	LIQ2 ⁵	Net Stable Funding Ratio (NSFR)		Net Stable Funding Ratio (NSFR)	95-97
	ENC ⁵	Asset Encumbrance		Asset Encumbrance	90
Remuneration	REMA ⁶	Remuneration policy			
	REM1 ⁶	Remuneration awarded during the financial year			
	REM2 ⁶	Special payments			
	REM3 ⁶	Deferred remuneration			
Interest rate risk in the banking book			Market risk	Market risk	81-86

⁵Liquidity Pillar 3 disclosures are further updated in our Liquidity and funding risk section of our Q3 2024 Report to Shareholders.

⁶Remuneration related disclosures are included in our 2024 Management Proxy Circular on pages 97-98 which is available at [Management Proxy Circular \(rbc.com\)](https://www.rbc.com/management-proxy-circular).



OVERVIEW OF KEY METRICS, RISK MANAGEMENT AND RWA

KM1: Key Capital and Leverage metrics (at consolidated group level)

		a	b	c	d	e	f
		July 31 2024	April 30 2024 ³	January 31 2024	October 31 2023	July 31 2023	Q o Q Change (a-b)
	(Millions of Canadian dollars)						
	Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	86,230	83,497	88,106	86,611	82,892	2,733
2	Tier 1	95,724	92,444	96,140	93,904	90,193	3,280
3	Total capital	108,079	105,353	106,865	104,952	101,072	2,726
	Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	661,177	653,702	590,257	596,223	585,899	7,475
4a	Total risk-weighted assets (pre-floor)	661,177	653,702	590,257	596,223	585,899	7,475
	Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	13.0%	12.8%	14.9%	14.5%	14.1%	0.2%
5a	CET1 ratio (%) (pre-floor ratio)	13.0%	12.8%	14.9%	14.5%	14.1%	0.2%
6	Tier 1 ratio (%)	14.5%	14.1%	16.3%	15.7%	15.4%	0.4%
6a	Tier 1 ratio (%) (pre-floor ratio)	14.5%	14.1%	16.3%	15.7%	15.4%	0.4%
7	Total capital ratio (%)	16.3%	16.1%	18.1%	17.6%	17.3%	0.2%
7a	Total capital ratio (%) (pre-floor ratio)	16.3%	16.1%	18.1%	17.6%	17.3%	0.2%
	Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	2.5%	2.5%	2.5%	-
9	Countercyclical buffer requirement (%) ¹	0.1%	0.1%	0.1%	0.1%	0.1%	-
10	Bank G-SIB and/or D-SIB additional requirements (%)	1.0%	1.0%	1.0%	1.0%	1.0%	-
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	3.6%	3.6%	3.6%	3.6%	3.6%	-
12	CET1 available after meeting the bank's minimum capital requirements (row 5 - 8.1%) (%) ²	4.9%	4.7%	6.8%	6.4%	6.1%	0.2%
	Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	2,271,007	2,219,019	2,173,419	2,179,590	2,142,032	51,988
14	Basel III leverage ratio (row 2 / row 13)	4.2%	4.2%	4.4%	4.3%	4.2%	-

¹ Bank specific countercyclical buffer requirement is the amount which is determined based on our weighted average private sector exposures in jurisdictions identified by the BCBS (Q3/24 0.07%, Q2/24 0.05%, Q1/24 to Q3/23 0.06%).

² 8.1% reflects minimum capital requirements which includes D-SIB/G-SIB surcharge and countercyclical buffer and excludes the OSFI Domestic Stability Buffer of 3.5% effective November 1, 2023 (3.0% previously effective February 1, 2023). Refer to the Capital management section of our Q3 2024 Report to Shareholders.

³ On March 28, 2024, we completed the HSBC Canada acquisition. HSBC Canada portfolios have been consolidated from the closing date, and are included in our April 30, 2024 and subsequent metrics.

Our CET1 ratio was 13.0%, up 20 bps from last quarter, mainly reflecting net internal capital generation, partially offset by RWA growth (excluding FX). Refer to the Financial performance section of our Q3 2024 Report to Shareholders.

Our Tier 1 capital ratio of 14.5% was up 40 bps, mainly reflecting the factors noted above under the CET1 ratio and the net impact of Tier 1 issuances and redemptions.

Our Total capital ratio of 16.3% was up 20 bps, mainly reflecting the factors noted above under the Tier 1 capital ratio.

Total RWA increased by \$7 billion, mainly due to the impact of net credit migration and foreign exchange translation. The net impact of business growth, mainly driven by wholesale and personal lending, partly offset by lower market risk, also contributed to the increase. In our CET1 ratio, the impact of foreign exchange translation on RWA is largely mitigated with economic hedges.



Our Leverage ratio of 4.2% was unchanged from last quarter, as net internal capital generation was offset by business-driven growth in leverage exposures.

Leverage exposures increased by \$52 billion, primarily due to volume growth in repo-style transactions, interest-bearing deposits with banks and securities. The impact of foreign exchange translation also contributed to the increase.

OVA: Bank risk management approach

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement		RBC 2023 Annual Report section	Sub-section
a)	Business model and risk profile	Top and emerging risks	Top and emerging risks
		Risk management overview	Risk management principles
			Risk drivers
		Enterprise risk management	Risk governance
			Risk appetite
			Risk measurement
			Risk control
b)	Risk governance structure	Enterprise risk management	Risk governance Risk control
c)	Communication and enforcement of risk culture within the bank	Operational risk	Culture and conduct risk
d)	Scope and main features of risk measurement systems	Enterprise risk management	Risk measurement
e)	Risk information reporting	Enterprise risk management	Risk control - <i>Risk monitoring and reporting</i>
f)	Stress testing	Enterprise risk management	Risk measurement - <i>Stress testing</i>
		Market risk	Stress tests
		Systemic risk	Systemic risk
g)	Strategies and processes applied to manage, hedge and mitigate risks	Enterprise risk management	Risk appetite
			Risk measurement
			Risk control
		Credit risk	Overview
			Credit risk measurement
			Credit risk assessment
			Credit risk mitigation
			Credit risk approval
			Credit risk administration
		Market risk	Market risk controls – FVTPL positions, including trading portfolios
			Stress tests
			Market risk controls - Interest Rate Risk in the Banking Book (IRRBB) positions
			IRRBB measurement
			Non-trading foreign exchange rate risk
		Liquidity and funding risk	Overview
			Governance of liquidity risk
			Liquidity risk mitigation strategies and techniques
			Risk measurement and internal liquidity reporting
			Contingency liquidity risk management and funding plans
			Funding
Liquidity Coverage Ratio (LCR)			
Net Stable Funding Ratio (NSFR)			



OVA: Bank risk management approach (continued)

Pillar 3 disclosures requirement		RBC 2023 Annual Report section	Sub-section
g)	Strategies and processes applied to manage, hedge and mitigate risks (continued)	Insurance risk	Insurance risk
		Operational risk	Overview
			Operational risk framework
		Regulatory compliance risk	Regulatory compliance risk
		Strategic risk	Strategic risk
		Reputation risk	Reputation risk
		Legal and regulatory environment risk	Legal and regulatory environment risk
		Competitive risk	Competitive risk
		Systemic risk	Systemic risk
		Environmental and social risk (including climate change)	Environmental and social risk (including climate change)
		Consolidated Financial Statements	Note 9 - Derivative financial instruments and hedging activities - <i>Derivatives issued for trading purposes</i>
			Note 9 - Derivative financial instruments and hedging activities - <i>Derivatives issued for other-than-trading purposes</i>
Note 9 - Derivative financial instruments and hedging activities - <i>Derivative-related credit risk</i>			

OV1: Overview of risk weighted assets (RWA)

The following table presents an overview of our RWA and the related minimum capital requirements by risk type.

	(Millions of Canadian dollars)	a	b	b1	b2	b3	c	d
		RWA					Minimum capital requirement ¹	RWA
		July 31 2024	April 30 2024 ⁴	January 31 2024	October 31 2023	July 31 2023	July 31 2024	Change (a-b)
1	Credit risk (excluding counterparty credit risk)	456,537	447,719	398,435	397,899	395,790	36,523	8,818
2	Of which: standardized approach (SA)	123,493	117,879	112,631	112,195	115,776	9,879	5,614
3	Of which: foundation internal ratings-based (F-IRB) approach	98,642	98,189	86,871	83,853	85,638	7,891	453
4	Of which: supervisory slotting approach							
5	Of which: advanced internal rating-based (A-IRB) approach	234,402	231,651	198,933	201,851	194,376	18,752	2,751
6	Counterparty credit risk (CCR)	25,049	25,669	22,992	27,912	25,966	2,004	(620)
7	Of which: standardized approach for counterparty credit risk (SA-CCR) ²	16,869	17,218	15,019	20,120	18,786	1,350	(349)
8	Of which: internal model method (IMM)							
9	Of which: other CCR	8,180	8,451	7,973	7,792	7,180	654	(271)
10	Credit valuation adjustment (CVA)	16,176	15,725	14,408	12,875	12,855	1,294	451
11	Equity investments in funds – look-through approach							
12	Equity investments in funds – mandate-based approach	3,869	4,344	4,295	4,540	4,412	310	(475)
13	Settlement risk	54	103	139	109	149	4	(49)
14	Securitization exposures in banking book	16,057	15,664	13,021	11,510	11,371	1,285	393
15	Of which: securitization IRB approach (SEC-IRBA)	359	370	1,031	183	174	29	(11)
16	Of which: securitization external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	12,566	12,510	9,178	8,819	8,640	1,005	56
17	Of which: securitization standardized approach (SEC-SA)	3,132	2,784	2,812	2,508	2,557	251	348
18	Market risk	32,920	35,156	30,980	40,498	37,426	2,634	(2,236)
19	Of which: standardized approach (SA)	32,920	35,156	30,980	18,081	17,828	2,634	(2,236)
20	Of which: internal model approaches (IMA)	-	-	-	22,417	19,598	-	-
21	Capital charge for switch between trading book and banking book							
22	Operational risk	87,775	87,165	84,600	79,883	77,741	7,022	610
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	22,740	22,157	21,387	20,997	20,189	1,819	583
24	Output floor applied ³	67.5%	67.5%	67.5%	65%	65%		
25	Floor adjustment	-	-	-	-	-		
26	N/A for D-SIBs	-	-	-	-	-		
27	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 18 + 21 + 22 + 23 + 25)	661,177	653,702	590,257	596,223	585,899	52,895	7,475

¹ The minimum capital requirements for each category can be calculated by multiplying the total RWA by 8% as per OSFI CAR guidelines, excluding countercyclical buffer.

² Includes RWA associated with CCP exposures, which Exposure at Default (EAD) is calculated based on SA-CCR.

³ The regulatory output floor is 67.5% for fiscal 2024 and 2025 and will be transitioned further over an additional two years, reflecting a regulatory capital floor requirement of 70% and 72.5% in, fiscal 2026 and 2027 respectively.

⁴ On March 28, 2024, we completed the HSBC Canada acquisition. HSBC Canada portfolios have been consolidated from the closing date, and are included in our April 30, 2024 and subsequent metrics.



Total RWA increased by \$7 billion driven by the following:

Credit risk

RWA increased by \$8.8 billion, mainly due to the impact of net credit migration in our wholesale portfolios and foreign exchange translation. Business growth in wholesale lending (net of lower underwriting activities) and personal lending also contributed to the increase. The impact of foreign exchange translation on RWA is largely mitigated with economic hedges in our CET1 ratio.

Counterparty credit risk and CVA risk

CCR RWA decreased by \$0.6 billion, mainly due to client driven activity while CVA RWA increased \$0.4 billion due to foreign exchange rate changes and declining interest rates.

Securitization exposures in banking book

RWA increased \$0.4 billion, mainly due to client driven activity.

Market risk

RWA decreased \$2.2 billion, mainly driven by lower exposures in our fixed income portfolios.

Operational risk

RWA increased \$0.6 billion, mainly due changes in average business indicator and average loss components.



RWA: Risk-Weighted Assets by Regulatory Approach

The following table provides details of our risk-weighted assets by type of risk and regulatory approach.

TOTAL CAPITAL RISK-WEIGHTED ASSETS ¹	Q3/2024							Q3/2024	Risk-weighted assets All-in Basis			
	Risk-weighted assets All-in Basis							Capital requirements	Risk-weighted assets All-in Basis			
	Exposure ²	Average of risk weights ³	Standardized Approach	Advanced Approach (A-IRB)	Foundation Approach (F-IRB)	Other	Total	Total ⁴	Q2/2024 Total	Q1/2024 Total	Q4/2023 Total	Q3/2023 Total
(Millions of Canadian dollars, except percentage and per share amounts)												
Credit risk ⁵												
Lending-related and other												
Residential mortgages	616,812	8%	3,784	46,197		-	49,981	3,998	50,029	45,613	44,864	45,152
Other retail (Personal, Credit cards and Small business treated as retail)	202,377	31%	7,075	54,724		-	61,799	4,944	59,828	57,827	61,714	60,468
Business (Corporate, Commercial, Medium-sized enterprises and Non-bank financial institutions)	553,262	51%	67,581	121,960	90,556	-	280,097	22,408	276,923	238,735	238,565	238,193
Sovereign (Government)	353,933	4%	2,481	11,521		-	14,002	1,120	13,952	14,494	14,018	12,857
Bank	41,768	44%	10,101	-	8,086	-	18,187	1,455	17,931	14,918	14,339	13,949
Total lending-related and other	1,768,152	24%	91,022	234,402	98,642	-	424,066	33,925	418,663	371,587	373,500	370,619
Trading - related												
Repo-style transactions	1,214,754	1%	152	202	7,741	85	8,180	654	8,451	7,973	7,792	7,180
Derivatives - including CVA	127,098	26%	1,072	2,193	13,095	16,685	33,045	2,644	32,943	29,427	32,995	31,641
Total trading-related	1,341,852	3%	1,224	2,395	20,836	16,770	41,225	3,298	41,394	37,400	40,787	38,821
Total lending-related and other and trading-related	3,110,004	15%	92,246	236,797	119,478	16,770	465,291	37,223	460,057	408,987	414,287	409,440
Banking book equities ⁶	5,646	207%	11,674	-		-	11,674	934	11,402	10,668	10,074	9,904
Securitization exposures	76,108	21%	6,049	10,008		-	16,057	1,285	15,664	13,021	11,510	11,371
Other assets	40,556	117%				47,460	47,460	3,797	44,258	42,001	39,971	40,017
Total credit risk	3,232,314	17%	109,969	246,805	119,478	64,230	540,482	43,239	531,381	474,677	475,842	470,732
Market risk ^{7,8}												
Interest rate			2,884				2,884	231	4,569	3,617		
Equity			3,096				3,096	248	3,101	2,910		
Foreign exchange			3,160				3,160	253	4,547	4,597		
Commodities			2,455				2,455	196	2,431	2,604		
Credit			6,248				6,248	500	6,404	4,896		
Default risk charge			10,635				10,635	851	10,243	9,481		
Other ⁸			4,442				4,442	355	3,861	2,875		
Total market risk			32,920				32,920	2,634	35,156	30,980	40,498	37,426
Operational risk			87,775				87,775	7,022	87,165	84,600	79,883	77,741
Total risk-weighted assets (RWA)	3,232,314		230,664	246,805	119,478	64,230	661,177	52,895	653,702	590,257	596,223	585,899

¹Calculated using OSFI CAR guidelines incorporating Basel III reforms.

²Total exposure represents exposure at default (EAD) which is the expected gross exposure upon the default of an obligor. This amount excludes any allowance against impaired loans or partial write-offs and does not reflect the impact of credit risk mitigation.

³Represents the average of counterparty risk weights within a particular category.

⁴The minimum capital requirements, before countercyclical capital buffer for each category, can be calculated by multiplying the total RWA by 8% as per OSFI CAR guidelines.

⁵For credit risk, a majority of our portfolio use the A-IRB and F-IRB approaches under the Internal Ratings Based (IRB) Approach and the remainder use the Standardized Approach.



⁶ CAR guidelines define banking book equities based on the economic substance of the transaction rather than the legal form or accounting treatment associated with the financial instrument. As such, differences exist in the identification of equity securities held in the banking book and those reported in the financial statements. Banking book equities are financial instruments held for investment purposes and are not part of our trading book, consisting of publicly-traded and private equities, partnership units, venture capital and derivative instruments tied to equity interests.

As at Q3/24, the amount of publicly-traded equity exposures was \$2,619 million and private equity exposures amounted to \$3,030 million. Direct Equity exposure was risk weighted using as prescribed under section 4.1.8 of the CAR guideline (\$7,805 million RWA) and Equity Investments in Funds was risk weighted under section 4.1.22 of the CAR guideline using Mandate Based Approach (\$3,869 million RWA).

⁷ Starting November 1, 2023, we use the standardized approach for market risk RWA measurement reflecting Basel III reforms incorporating FRTB. For FRTB standardized approach, we use internally validated models. Prior to November 1, 2023, we used an internal models approach where we had obtained regulatory approval and a standardized approach for portfolios yet to be approved. Due to methodological differences between regimes, the market risk RWA sub-categories are not reported for historical quarters.

⁸ The Other category represents the Market Risk RWA for the "Residual Risk Add-On" charge under the standardized approach and the capital surcharge for movements between the trading book and banking book.



RWA1: Exposure at Default and Risk-Weighted Assets by Regulatory Approach

The following table provides details of our exposure at default and risk-weighted assets by type of risk and regulatory approach.

As at July 31, 2024

(Millions of Canadian dollars, except percentage and per share amounts)	Exposure at default (Post CRM) ¹					Risk-weighted assets ¹					Standardized Approach RWA Density	Internal Ratings Based RWA Density	Internal Ratings Based % (EAD)	
	Standardized Approach		Internal Ratings Based		Total	Standardized Approach		Internal Ratings Based		Total				
	On-B/S	Off-B/S	On-B/S	Off-B/S		On-B/S	Off-B/S	On-B/S	Off-B/S					
Risk-weighted assets														
Credit risk														
Lending-related and other														
Wholesale														
Sovereign	68,162	381	336,217	28,181	432,941	2,373	108	9,625	1,896	14,002	4%	3%	84%	
Bank	10,774	1,903	29,399	8,408	50,484	8,243	1,858	5,572	2,514	18,187	80%	21%	75%	
Corporate	65,158	8,850	268,788	171,900	514,696	58,892	8,689	140,969	71,547	280,097	91%	48%	86%	
Total wholesale	144,094	11,134	634,404	208,489	998,121	69,508	10,655	156,166	75,957	312,286	52%	28%		
Retail														
Residential Mortgages	6,976	5	423,663	123,624	554,268	3,782	2	38,226	7,971	49,981	54%	8%	99%	
Qualifying Revolving Retail Exposures (QRRE)	945	2,028	32,014	93,724	128,711	572	660	11,867	12,684	25,783	41%	20%	98%	
Other Retail	7,347	380	41,903	21,212	70,842	5,555	288	21,310	8,863	36,016	76%	48%	89%	
Total retail	15,268	2,413	497,580	238,560	753,821	9,909	950	71,403	29,518	111,780	61%	14%		
Total lending-related and other	159,362	13,547	1,131,984	447,049	1,751,942	79,417	11,605	227,569	105,475	424,066	53%	21%		
Counterparty credit risk														
Derivatives - including CVA					127,098					33,045				
Repo-style transactions					193,361					8,180				
Total counterparty credit risk					320,459					41,225				
Securitized					76,076					16,057				
Subordinated-debt and Equities ²					5,646					11,674				
Other Assets					40,556					47,460				
Total credit risk³					2,194,679					540,482				
Market risk⁴					n.a.					32,920				
Operational risk⁴					n.a.					87,775				
Total risk-weighted assets (RWA)					2,194,679					661,177				

¹ Calculated using OSFI CAR guidelines incorporating Basel III reforms.

² Sub-Debt and Equities risk-weighting is determined as specified in CAR Chapter 4: Credit Risk Standardized Approach.

³ For credit risk, a majority of our portfolio use the A-IRB and F-IRB approaches under the Internal Ratings Based (IRB) Approach and the remainder use the Standardized Approach.

⁴ n.a. – not applicable based on regulatory capital methodology.



As at April 30, 2024

(Millions of Canadian dollars, except percentage and per share amounts)	Exposure at default (Post CRM) ¹					Risk-weighted assets ¹					Standardized Approach RWA Density	Internal Ratings Based RWA Density	Internal Ratings Based % (EAD)
	Standardized Approach		Internal Ratings Based		Total	Standardized Approach		Internal Ratings Based		Total			
	On-B/S	Off-B/S	On-B/S	Off-B/S		On-B/S	Off-B/S	On-B/S	Off-B/S				
Risk-weighted assets													
Credit risk													
Lending-related and other													
Wholesale													
Sovereign	68,096	410	320,145	26,257	414,908	2,535	111	9,425	1,881	13,952	4%	3%	83%
Bank	10,445	1,824	28,946	8,550	49,765	7,878	1,781	5,887	2,385	17,931	79%	22%	75%
Corporate	63,892	8,706	277,675	174,066	524,339	57,528	8,534	142,433	68,428	276,923	91%	47%	86%
Total wholesale	142,433	10,940	626,766	208,873	989,012	67,941	10,426	157,745	72,694	308,806	51%	28%	
Retail													
Residential Mortgages	6,928	5	414,181	122,013	543,127	3,752	2	38,400	7,875	50,029	54%	9%	99%
Qualifying Revolving Retail Exposures (QRRE)	976	1,968	31,168	92,355	126,467	575	634	11,488	12,615	25,312	41%	20%	98%
Other Retail	6,939	340	41,063	20,716	69,058	5,236	258	20,619	8,403	34,516	75%	47%	89%
Total retail	14,843	2,313	486,412	235,084	738,652	9,563	894	70,507	28,893	109,857	61%	14%	
Total lending-related and other	157,276	13,253	1,113,178	443,957	1,727,664	77,504	11,320	228,252	101,587	418,663	52%	21%	
Counterparty credit risk													
Derivatives - including CVA					138,647					32,943			
Repo-style transactions					173,046					8,451			
Total counterparty credit risk					311,693					41,394			
Securizations					72,436					15,664			
Subordinated-debt and Equities ²					5,411					11,405			
Other Assets					38,049					44,255			
Total credit risk³					2,155,253					531,381			
Market risk⁴					n.a.					35,156			
Operational risk⁴					n.a.					87,165			
Total risk-weighted assets (RWA)					2,155,253					653,702			

¹ Calculated using OSFI CAR guidelines incorporating Basel III reforms.

² Sub-Debt and Equities risk-weighting is determined as specified in CAR Chapter 4: Credit Risk Standardized Approach.

³ For credit risk, a majority of our portfolio use the A-IRB and F-IRB approaches under the Internal Ratings Based (IRB) Approach and the remainder use the Standardized Approach.

⁴ n.a. – not applicable based on regulatory capital methodology.

LINKAGES BETWEEN FINANCIAL STATEMENTS AND REGULATORY EXPOSURES
LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

The following table provides the differences between carrying values presented in our financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and our regulatory exposures. It further breaks down the amounts in our financial statements into regulatory risk categories.

As at July 31, 2024

	a	b	c	d	e	f	g
			Carrying values of items: ¹				
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
<i>(Millions of Canadian dollars)</i>							
Assets							
Cash and due from banks	55,230	55,223	54,866	-	-	-	357
Interest-bearing deposits with banks	57,409	57,380	57,380	-	-	-	-
Securities							
Trading	180,441	166,945	5,586	-	63	161,218	78
Investment, net of applicable allowance	250,744	247,482	235,326	-	12,175	-	(19)
	431,185	414,427	240,912	-	12,238	161,218	59
Assets purchased under reverse repurchase agreements and securities borrowed	325,401	325,401	-	325,402	-	-	(1)
Loans							
Retail	619,452	618,668	612,727	-	-	-	5,941
Wholesale	358,143	355,485	334,690	1,922	13,545	2,548	2,780
	977,595	974,153	947,417	1,922	13,545	2,548	8,721
Allowance for loan losses	(5,798)	(5,798)	-	-	-	-	(5,798)
	971,797	968,355	947,417	1,922	13,545	2,548	2,923
Other							
Customers' liability under acceptances	677	677	708	-	-	-	(31)
Derivatives ²	115,659	115,430	-	115,430	-	106,802	-
Premises and equipment, net	6,943	6,931	6,931	-	-	-	-
Goodwill	19,125	19,125	-	-	-	-	19,125
Other intangibles	8,032	7,875	-	-	-	-	7,875
Other assets	84,649	83,819	42,460	27,987	-	9,845	3,527
	235,085	233,857	50,099	143,417	-	116,647	30,496
Total assets²	2,076,107	2,054,643	1,350,674	470,741	25,783	280,413	33,834
Liabilities and equity							
Deposits							
Personal	510,542	510,542	-	-	-	-	510,542
Business and government	809,380	809,957	-	-	-	-	809,957
Bank	41,343	41,343	-	-	-	-	41,343
	1,361,265	1,361,842	-	-	-	-	1,361,842
Other							
Acceptances	708	708	-	-	-	-	708
Obligations related to securities sold short	33,972	33,972	-	-	-	-	33,972
Obligations related to assets sold under repurchase agreements and securities loaned	304,373	304,373	-	304,373	-	-	-
Derivatives ²	126,884	126,884	-	126,884	-	120,536	-
Insurance contract liabilities	21,153	-	-	-	-	-	-
Other liabilities	89,823	87,428	-	-	-	-	87,428
	576,913	553,365	-	431,257	-	120,536	122,108
Subordinated debentures	13,437	13,437	-	-	-	-	13,437
Total liabilities²	1,951,615	1,928,644	-	431,257	-	120,536	1,497,387
Equity attributable to shareholders							
Preferred shares	9,492	9,492	-	-	-	-	9,492
Common shares	20,786	20,786	-	-	-	-	20,786
Retained earnings	86,065	87,520	-	-	-	-	87,520
Other components of equity	8,048	8,100	-	-	-	-	8,100
	124,391	125,898	-	-	-	-	125,898
Non-controlling interests	101	101	-	-	-	-	101
Total equity	124,492	125,999	-	-	-	-	125,999
Total liabilities and equity²	2,076,107	2,054,643	-	431,257	-	120,536	1,623,386

¹ Column c to g reflect a further breakout of column b by providing the respective CAR guideline frameworks utilized.

² Derivative assets and liabilities are subject to both counterparty credit risk and market risk framework – hence column b will not equal to the sum of column c to g.

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

The following table provides the key differences between the exposure amounts for regulatory purposes and the accounting carrying values as presented in our financial statements that are within the scope of regulatory consolidation.

As at July 31, 2024

	a	b	c	d	e
(Millions of Canadian dollars)	Total	Credit risk framework	Securitization framework	Counterparty credit risk framework	Market risk framework
1 Asset carrying value amount under scope of regulatory consolidation (as per template L11)¹	2,020,809	1,350,674	25,783	470,741	280,413
2 Liabilities carrying value amount under regulatory scope of consolidation (as per template L11) ¹	431,257	-	-	431,257	120,536
3 Total net amount under regulatory scope of consolidation	1,589,552	1,350,674	25,783	39,484	159,877
4 Off-balance sheet amounts ²	1,814,344	462,832	49,130	1,302,382	-
5 Differences due to Fair Value adjustment	(1,365)	(1,351)	-	(14)	-
6 Differences due to different netting rules, other than those already included in row 2	2,087	2,087	-	-	-
7 Differences due to consideration of provisions	-	-	-	-	-
8 Differences due to prudential filters	-	-	-	-	-
9 Difference due to accounting and risk treatment of securitizations and other items	1,306	111	1,195	-	-
10 Exposure amounts considered for regulatory purposes	3,405,924	1,814,353	76,108	1,341,852	159,877

¹ Amount reflects Table L11 columns (c), (d), (e) and (f) from the previous page. Derivative assets and liabilities are subject to both counterparty credit risk and market risk framework – hence column a will not equal to the sum of column b to e.

² Off-balance sheet amounts reflect the application of credit conversion factors.

LIA: Explanations of differences between accounting and regulatory exposure amounts

Our consolidated balance sheet (“accounting balance sheet”) is prepared in compliance with IFRS as issued by the International Accounting Standards Board. We leverage our accounting balance sheet to apply the required regulatory requirements prescribed by OSFI to determine our regulatory capital consolidated balance sheet.

In Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories, we identify the differences between our IFRS consolidated accounting balance sheet (column a in LI1) and our regulatory capital consolidated balance sheet (column b in LI1). Our regulatory capital consolidated balance sheet, on which capital adequacy requirements are determined, reflects all of our consolidated subsidiaries except for our insurance subsidiaries as prescribed by OSFI’s CAR guidelines.

In Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements, we quantify measurement differences other than regulatory consolidation.

Our banking book regulatory carrying values reflect our IFRS accounting balance sheet values except for our fair valued loans and debt securities carried at fair value through other comprehensive income (FVOCI), which under OSFI’s Credit risk framework, are measured at amortized cost. Off-balance sheet regulatory asset values reflect prescribed conversion factors and undrawn amounts.

Regulatory carrying values for our Counterparty credit risk related to our derivative assets and liabilities, assets purchased under reverse repurchase agreements and securities borrowed, and obligations related to assets sold under repurchase agreements and securities loaned are determined using OSFI’s CAR guidelines Chapter 7 Settlement and Counterparty risk framework. On November 1, 2018, OSFI adopted the BCBS Standardized Approach for measuring Counterparty credit risk (SA-CCR) for derivative regulatory exposures and we adopted this methodology for our derivative regulatory exposures. OSFI further updated SA-CCR for the Basel III reforms as released by OSFI on January 31, 2022, and further updated on October 20, 2023. The main differences between the accounting and regulatory amounts for Counterparty credit risk relate to regulatory inclusion of potential future exposure amounts and differences in allowed IFRS and regulatory netting rules, and the application of financial collateral in the calculation of regulatory exposure amount.

The regulatory carrying value of exposures subject to the securitization framework includes our on-balance sheet third party securitization holdings as well as our securitized credit card exposures which meet the risk transference requirements under the CAR guidelines Chapter 6 Securitization but are not considered securitized for the purposes of our IFRS accounting balance sheet. Our regulatory carrying values are determined based on the BCBS revised securitization framework adopted by OSFI on November 1, 2018, and further updated for the Basel III reforms as released by OSFI on January 31, 2022, and further updated on October 20, 2023.

Our trading book regulatory carrying values are determined as prescribed under the CAR guideline’s Chapter 9 Market Risk. We employ OSFI’s prudent valuation guidance requirements, as stated in the CAR guideline’s Chapter 9 Market Risk to our trading book and banking book and as disclosed annually in table PV1 included in this report. Refer to our 2023 Annual Report - Risk management section which provides further insight into how we measure our market risk and the linkage of market risk to selected balance sheet items.



CAPITAL

CC1: Composition of Capital

The following table provides details of our regulatory capital and required regulatory adjustments under OSFI's CAR guidelines. Reconciliation references to CC2 of where these items are located on our IFRS and regulatory balance sheet are also included.

Composition of Capital Template		Cross Reference of Current Quarter to Regulatory Capital Balance Sheet (CC2)	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23
(Millions of Canadian dollars, except percentage and otherwise noted)							
Common Equity Tier 1 capital (CET1): Instruments and Reserves							
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	a+b	21,003	21,059	20,291	19,365	18,721
2	Retained earnings		85,847	83,562	81,831	84,130	81,802
2a	Contractual service margins regulatory adjustment ¹		1,568	1,621	1,670		
3	Accumulated other comprehensive income (and other reserves)	c-d	8,049	7,444	6,238	6,852	4,481
4	<i>N/A for D-SIBs</i>		-	-	-	-	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	e	11	11	11	11	10
6	Common Equity Tier 1 capital before regulatory adjustments		116,478	113,697	110,041	110,358	105,014
Common Equity Tier 1 capital: Regulatory adjustments							
7	Prudential valuation adjustments		193	182	181	184	29
8	Goodwill (net of related tax liability) ²	f-g	18,978	18,885	12,288	12,448	12,161
9	Other intangibles other than mortgage-servicing rights (net of related tax liability) ²	h+i-j	6,430	6,498	4,771	4,855	4,737
10	Deferred tax assets excluding those arising from temporary differences (net of related tax liability)	k	122	239	238	244	228
11	Cash flow hedge reserve	l	2,226	2,138	1,973	2,756	1,891
12	Shortfall of provisions to expected losses		-	-	-	-	-
13	Securitization gain on sale		-	-	-	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	m	(4)	51	386	1,251	822
15	Defined benefit pension fund net assets (net of related tax liability)	n-o	2,285	2,188	2,138	1,991	2,226
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)		-	-	-	-	-
17	Reciprocal cross holdings in common equity		-	-	-	-	-
18	Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)		-	-	-	-	-
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)		-	-	-	-	-
20	Mortgage servicing rights (amount above 10% threshold)		-	-	-	-	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		-	-	-	-	-
22	Amount exceeding the 15% threshold		-	-	-	-	-
23	of which: significant investments in the common stock of financials		-	-	-	-	-
24	of which: mortgage servicing rights		-	-	-	-	-
25	of which: deferred tax assets arising from temporary differences		-	-	-	-	-
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI		18	19	(40)	18	28
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		-	-	-	-	-
28	Total regulatory adjustments to Common Equity Tier 1		30,248	30,200	21,935	23,747	22,122
29	Common Equity Tier 1 capital (CET1)		86,230	83,497	88,106	86,611	82,892
Additional Tier 1 capital (AT1): Instruments							
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		9,492	8,945	8,032	7,291	7,299
31	of which: classified as equity under applicable accounting standards	p+q+r	9,492	8,945	8,032	7,291	7,299
32	of which: classified as liabilities under applicable accounting standards		-	-	-	-	-



Composition of Capital Template <i>continued</i>		Cross Reference of Current Quarter to Regulatory Capital Balance Sheet (CC2)	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23
(Millions of Canadian dollars, except percentage and otherwise noted)							
33	<i>N/A for D-SIBs</i>		-	-	-	-	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	s	2	2	2	2	2
35	<i>N/A for D-SIBs</i>		-	-	-	-	-
36	Additional Tier 1 capital before regulatory adjustments		9,494	8,947	8,034	7,293	7,301
Additional Tier 1 capital: Regulatory adjustments							
37	Investments in own Additional Tier 1 instruments		-	-	-	-	-
38	Reciprocal cross holdings in Additional Tier 1 instruments		-	-	-	-	-
39	Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)		-	-	-	-	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		-	-	-	-	-
41	Other deductions from Tier 1 capital as determined by OSFI		-	-	-	-	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	-	-	-	-
43	Total regulatory adjustments to Additional Tier 1 capital		-	-	-	-	-
44	Additional Tier 1 Capital (AT1)		9,494	8,947	8,034	7,293	7,301
45	Tier 1 capital (T1 = CET1 + AT1)		95,724	92,444	96,140	93,904	90,193
Tier 2 Capital: Instruments and Provisions							
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	t+u	11,320	11,818	9,464	9,683	9,572
47	<i>N/A for D-SIBs</i>		-	-	-	-	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	v	3	3	3	3	3
49	<i>N/A for D-SIBs</i>		-	-	-	-	-
50	Collective allowances	w	1,032	1,088	1,258	1,362	1,304
51	Tier 2 capital before regulatory adjustments		12,355	12,909	10,725	11,048	10,879
Tier 2 Capital: Regulatory adjustments							
52	Investments in own Tier 2 instruments		-	-	-	-	-
53	Reciprocal cross holdings in Tier 2 instruments and Other TLAC-eligible Instruments		-	-	-	-	-
54	Non-significant investments in the capital of banking, financial and insurance entities, and Other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs that are outside the scope of regulatory consolidation, where the institution does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		-	-	-	-	-
54a	Non-significant investments in the other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs, where the institution does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions		-	-	-	-	-
55	Significant investments in the capital of banking, financial and insurance entities and Other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs that are outside the scope of regulatory consolidation		-	-	-	-	-
56	Other deductions from Tier 2 capital		-	-	-	-	-
57	Total regulatory adjustments to Tier 2 capital		-	-	-	-	-
58	Tier 2 capital (T2)		12,355	12,909	10,725	11,048	10,879
59	Total capital (TC = T1 + T2)		108,079	105,353	106,865	104,952	101,072
60	Total risk-weighted assets		661,177	653,702	590,257	596,223	585,899



Composition of Capital Template <i>continued</i>		Cross Reference of Current Quarter to Regulatory Capital Balance Sheet (CC2)	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23
(Millions of Canadian dollars, except percentage and otherwise noted)							
Capital ratios							
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)		13.0%	12.8%	14.9%	14.5%	14.1%
62	Tier 1 (as a percentage of risk-weighted assets)		14.5%	14.1%	16.3%	15.7%	15.4%
63	Total capital (as a percentage of risk-weighted assets)		16.3%	16.1%	18.1%	17.6%	17.3%
64	Buffer (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer expressed as a percentage of risk-weighted assets)		8.1%	8.1%	8.1%	8.1%	8.1%
65	of which: capital conservation buffer		2.5%	2.5%	2.5%	2.5%	2.5%
66	of which: bank-specific countercyclical buffer ³		0.1%	0.1%	0.1%	0.1%	0.1%
67	of which: G-SIB buffer ⁴		1.0%	1.0%	1.0%	1.0%	1.0%
67a	of which: D-SIB buffer		0.0%	0.0%	0.0%	0.0%	0.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)		4.9%	4.7%	6.8%	6.4%	6.0%
OSFI target (minimum + capital conservation buffer + D-SIB surcharge (if applicable))							
69	Common Equity Tier 1 target ratio		8.1%	8.1%	8.1%	8.1%	8.1%
70	Tier 1 capital target ratio		9.6%	9.6%	9.6%	9.6%	9.6%
71	Total capital target ratio		11.6%	11.6%	11.6%	11.6%	11.6%
Amounts below the thresholds for deduction (before risk-weighting)							
72	Non-significant investments in the capital and Other TLAC-eligible instruments of other financials entities		578	789	602	990	990
73	Significant investments in the common stock of financials		6,003	5,839	6,072	6,287	6,289
74	Mortgage servicing rights (net of related tax liability)		-	-	-	-	-
75	Deferred tax assets arising from temporary differences (net of related tax liability)		2,451	2,681	2,155	1,796	1,490
Applicable caps on the inclusion of allowances in Tier 2							
76	Allowances eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)		557	548	803	836	780
77	Cap on inclusion of allowances in Tier 2 under standardized approach		557	548	803	836	780
78	Allowances eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		3,859	3,813	3,286	3,419	3,235
79	Cap on inclusion of allowances in Tier 2 under internal ratings-based approach		3,859	3,813	3,286	3,419	3,235

¹ Effective November 1, 2023, Contractual Service Margins (CSM) related to our Insurance subsidiaries is included as a component of CET1 per CAR Chapter 2. Prior to the adoption of IFRS 17 it was included as part of our Retained Earnings.

² Goodwill and intangibles associated with our HSBC Canada acquisition in Q2 2024 is \$6.4 billion and \$1.7 billion net of applicable tax liabilities, respectively.

³ Bank specific countercyclical buffer requirement is the amount which is determined based on our weighted average private sector exposures in jurisdictions identified by the BCBS (Q3/24 0.07%, Q/24 0.05%, Q1/24 0.06%, Q4/23 0.06%, Q3/23 0.06%).

⁴ Capital surcharge, equal to the higher of our D-SIB surcharge and the BCBS's G-SIB surcharge, is applicable to risk-weighted capital.



CC2: Regulatory capital balance sheet

The following table provides a reconciliation of our regulatory capital elements as reported in CC1 with our balance sheet prepared in accordance with IFRS and our regulatory balance sheet.

Regulatory capital balance sheet (Millions of Canadian dollars)	Cross Reference to Basel III Regulatory Capital Components (CC1)	Q3/24	
		Balance sheet	Under regulatory scope of consolidation
Assets			
Cash and due from banks		55,230	55,223
Interest-bearing deposits with banks		57,409	57,380
Securities, net of applicable allowance		431,185	414,427
<i>Non-significant investments in capital of other financial institutions not exceeding regulatory thresholds</i>			578
<i>Other securities</i>			413,849
Assets purchased under reverse repurchase agreements and securities borrowed		325,401	325,401
Loans			
Retail		619,452	618,668
Wholesale		358,143	355,485
Allowance for loan losses		(5,798)	(5,798)
<i>Collective allowance reflected in Tier 2 regulatory capital ¹</i>	w		(1,032)
<i>Shortfall of allowances to expected loss ²</i>			-
<i>Allowances not reflected in regulatory capital</i>			(4,766)
		971,797	968,355
Segregated fund net assets		-	-
Other			
Customers' liability under acceptances		677	677
Derivatives		115,659	115,430
Premises and equipment, net		6,943	6,931
Goodwill	f	19,125	19,125
<i>Goodwill related to insurance and joint ventures</i>			-
Other intangibles	h	8,032	7,875
<i>Other intangibles related to insurance and joint ventures</i>	i		157
Other		84,649	83,819
<i>Significant investments in other financial institutions and insurance subsidiaries</i>			6,003
<i>of which: exceeding regulatory thresholds</i>			-
<i>of which: not exceeding regulatory thresholds</i>			6,003
<i>Defined - benefit pension fund net assets</i>	n		3,153
Deferred tax assets			3,754
<i>of which: deferred tax assets excluding those arising from temporary differences</i>	k		122
<i>of which: deferred tax assets arising from temporary differences exceeding regulatory thresholds</i>			-
<i>of which: deferred tax liabilities related to permitted tax netting</i>			(2,087)
<i>of which: deferred tax assets - other temporary differences</i>			5,719
Other assets			70,909
<i>of which: relates to assets of operations held for sale – Goodwill</i>			-
<i>of which: relates to assets of operations held for sale – Intangibles</i>			-
Total assets		2,076,107	2,054,643

¹ Collective allowance includes Stage 1 and Stage 2 ACL on financial assets.

² Expected loss as defined under the Basel III framework.



Regulatory capital balance sheet <i>continued</i>	Cross Reference to Basel III Regulatory Capital Components (CC1)	Q3/24	
		Balance sheet	Under regulatory scope of consolidation
(Millions of Canadian dollars)			
Liabilities			
Deposits			
Personal		510,542	510,542
Business and government		809,380	809,957
Bank		41,343	41,343
		1,361,265	1,361,842
Segregated fund net liabilities		-	-
Other			
Acceptances		708	708
Obligations related to securities sold short		33,972	33,972
Obligations related to assets sold under repurchase agreements and securities loaned		304,373	304,373
Derivatives		126,884	126,884
Insurance claims and policy benefit liabilities		21,153	-
Other liabilities		89,823	87,428
<i>Gains and losses due to changes in own credit risk on fair value liabilities</i>	m		(4)
<i>Deferred tax liabilities</i>			537
<i>of which: related to goodwill</i>	g		147
<i>of which: related to intangibles</i>	j		1,602
<i>of which: related to pensions</i>	o		866
<i>of which: relates to permitted tax netting</i>			(2,078)
<i>of which: other deferred tax liabilities</i>			-
<i>Other Liabilities</i>			86,895
Subordinated debentures		13,437	13,437
<i>Regulatory capital amortization of maturing debentures</i>	u		(1,656)
<i>Subordinated debentures not allowed for regulatory capital</i>			2,117
<i>Subordinated debentures used for regulatory capital:</i>			12,976
<i>of which: are qualifying</i>	t		12,976
<i>of which: are subject to phase out directly issued capital:</i>			-
<i>of which: are subject to phase out issued by subsidiaries and held by 3rd party</i>			-
Total liabilities		1,951,615	1,928,644
Equity attributable to shareholders		124,391	125,898
Common shares	a	20,786	20,786
<i>of which are treasury - common shares</i>			(191)
Retained earnings		86,065	87,520
<i>of which relates to contributed surplus</i>	b		217
<i>of which relates to retained earnings for capital purposes</i>			87,303
<i>of which relates to insurance and joint ventures</i>			112
Other components of equity	c	8,048	8,100
<i>Gains and losses on derivatives designated as cash flow hedges</i>	l		2,226
<i>Unrealized foreign currency translation gains and losses, net of hedging activities</i>			6,683
<i>Other reserves allowed for regulatory capital</i>			(809)
<i>of which relates to Insurance</i>	d		51
Preferred shares and other equity instruments		9,492	9,492
<i>of which: are qualifying</i>	p		9,520
<i>of which: are subject to phase out</i>			-
<i>of which portion are not allowed for regulatory capital</i>			-
<i>of which: are qualifying treasury - preferred shares</i>	q		(24)
<i>of which: are qualifying treasury - other</i>	r		(4)
<i>of which: are subject to phase out treasury - preferred shares</i>			-



Regulatory capital balance sheet <i>continued</i>	Cross Reference to Basel III Regulatory Capital Components (CC1)	Q3/24	
		Balance sheet	Under regulatory scope of consolidation
(Millions of Canadian dollars)			
Non-controlling interests		101	101
<i>of which: are qualifying</i>			
<i>portion allowed for inclusion into CET1</i>	e		11
<i>portion allowed for inclusion into Tier 1 capital</i>	s		2
<i>portion allowed for inclusion into Tier 2 capital</i>	v		3
<i>of which: are subject to phase out</i>			-
<i>of which: portion not allowed for regulatory capital</i>			85
Total equity		124,492	125,999
Total liabilities and equity		2,076,107	2,054,643

		Equity	Assets
Insurance subsidiaries ¹	Principal activities		
Assured Assistance Inc.	Service provider for insurance claims	2	-
Royal Bank of Canada Insurance Company Limited	Life, annuity, trade credit, title and property reinsurance company provides coverage to international clients	1,310	1,747
RBC (Barbados) Services Company Ltd	Investment management, reinsurance transaction support and corporate services to Royal Bank of Canada Insurance Company Ltd.	(2)	-
RBC Insurance Agency Ltd.	Distribution of H&A products through AVIVA	66	36
RBC Insurance Company (Cayman) Limited	Life, annuity reinsurance company provides coverage to international clients	-	-
RBC Insurance Company of Canada	Property and casualty insurance company	121	158
RBC Insurance Holdings Inc.	Holding company	1	-
RBC Insurance Services Inc.	Service provider for insurance companies listed and the bank (creditor)	74	99
RBC Life Insurance Company	Life and health insurance company	2,969	25,534
RBC Commercial Insurance Agency Inc.	Provides commercial insurance policies for basic contents, commercial liability, errors and omissions, and cybersecurity coverage	-	-
Total		4,541	27,574

¹ The list of legal entities that are included within the accounting scope of consolidation but excluded from the regulatory scope of consolidation.

CREDIT RISK
CRA: General qualitative information about credit risk

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement		RBC 2023 Annual Report section	Sub-section
a)	Translation of the business model into the components of the bank's credit risk profile	Credit risk	Overview
			Measurement of economic and regulatory capital - <i>Gross credit risk exposure</i>
b)	Criteria and approach used for defining credit risk management policy and for setting credit risk limits	Enterprise risk management	Risk governance
			Risk appetite
			Risk measurement
			Risk control – <i>Risk appetite, risk approval authorities and risk limits</i>
		Credit risk	Overview
			Credit risk assessment
			Credit risk mitigation
			Credit risk approval
c)	Structure and organization of the credit risk management and control function	Enterprise risk management	Risk governance
			Risk control
d)	Interaction between the credit risk management, risk control, compliance and internal audit functions	Enterprise risk management	Risk governance
e)	Scope and content of the reporting on credit risk exposure to the executive management and to the board of directors	Enterprise risk management	Risk governance
			Risk control – <i>Risk monitoring and reporting</i>

CR1: Credit quality of assets

The following table presents a comprehensive view of the credit quality of our on- and off-balance sheet assets.

As at July 31, 2024

		a	b	c	d		e	f	g
		Gross carrying values of		Allowances/ impairments ²	Of which ECL accounting provisions for credit losses on SA exposures		Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b-c)	
		Defaulted exposures ¹	Non-defaulted exposures		Allocated in regulatory category of Specific ³	Allocated in regulatory category of General ³			
	(Millions of Canadian dollars)								
1	Loans	6,359	941,058	5,798	183	557	5,058	941,619	
2	Debt Securities	-	238,018	19	-	-	19	237,999	
2a	Equity Securities		2,895					2,895	
3	Off-Balance Sheet exposures ⁴	154	367,325	336	-	-	336	367,143	
4	Total	6,513	1,549,296	6,153	183	557	5,413	1,549,656	

¹ Definition of default as per the CAR guidelines.

² Reflects Stage 1, 2 and 3 allowances under IFRS 9, excluding ACL on fair value through OCI on financial instruments.

³ Regulatory category of specific allowance reflects IFRS 9 Stage 3 allowances. Regulatory category of general allowances reflects Stage 1 & 2 allowances.

⁴ Off balance sheet amounts are before the application of credit conversion factors and reflect guarantees given and irrevocable loan commitments. Revocable loan commitments are excluded as per BCBS requirements.

As at April 30, 2024

		a	b	c	d		e	f	g
		Gross carrying values of		Allowances/ impairments ²	Of which ECL accounting provisions for credit losses on SA exposures		Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b-c)	
		Defaulted exposures ¹	Non-defaulted exposures		Allocated in regulatory category of Specific ³	Allocated in regulatory category of General ³			
	(Millions of Canadian dollars)								
1	Loans	5,706	933,519	5,715	143	548	5,024	933,510	
2	Debt Securities	-	226,492	21	-	-	21	226,471	
2a	Equity Securities		2,813					2,813	
3	Off-Balance Sheet exposures ⁴	243	358,941	332	-	-	332	358,852	
4	Total	5,949	1,521,765	6,068	143	548	5,377	1,521,646	

¹ Definition of default as per the CAR guidelines.

² Reflects Stage 1, 2 and 3 allowances under IFRS 9, excluding ACL on fair value through OCI on financial instruments.

³ Regulatory category of specific allowance reflects IFRS 9 Stage 3 allowances. Regulatory category of general allowances reflects Stage 1 & 2 allowances.

⁴ Off balance sheet amounts are before the application of credit conversion factors and reflect guarantees given and irrevocable loan commitments. Revocable loan commitments are excluded as per BCBS requirements.



CR2: Changes in stock of defaulted loans and debt securities

The following table presents our defaulted exposure balances, the flows between non-defaulted and defaulted exposure categories and reductions in the defaulted exposure balances due to write-offs.

For the three months ended July 31, 2024

	(Millions of Canadian dollars)	a
1	Defaulted loans and debt securities at the end of April 30, 2024	5,706
2	Loans and debt securities that have defaulted since the last reporting period	1,448
3	Returned to non-defaulted status	(246)
4	Amounts written off	(644)
5	Other changes	95
6	Defaulted loans and debt securities at the end of July 31, 2024 (1+2-3-4+5)	6,359

For the three months ended April 30, 2024

	(Millions of Canadian dollars)	a
1	Defaulted loans and debt securities at the end of April 30, 2024	5,037
2	Loans and debt securities that have defaulted since the last reporting period	995
3	Returned to non-defaulted status	(367)
4	Amounts written off	(546)
5	Other changes ¹	587
6	Defaulted loans and debt securities at the end of July 31, 2024 (1+2-3-4+5)	5,706

¹ Other changes include impaired portfolios acquired in the HSBC acquisition.

CRB: Additional disclosure related to the credit quality of assets

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

	Pillar 3 disclosures requirement	RBC 2023 Annual Report section	Sub-section
a)	Definitions of past due	Consolidated Financial Statements	Note 2 - Summary of significant accounting policies, estimates and judgments - Allowance for credit losses - <i>Definition of default</i> <i>Credit impaired financial assets (Stage 3)</i> Note 5 - Loans and allowances for credit losses - Loans past due but not impaired
b)	Extent of past due exposures	Consolidated Financial Statements	Note 5 - Loans and allowances for credit losses - Loans past due but not impaired
c)	Description of methods used for determining accounting provisions for credit losses Description of the categorization of ECL accounting provisions (general and specific) for standardized approach exposures	Consolidated Financial Statements n/a	Note 2 - Summary of significant accounting policies, estimates and judgments - Allowance for credit losses n/a - For regulatory calculations under both the Standardized and IRB approaches, the IFRS 9 stage 3 allowances are considered to be specific allowances and the IFRS 9 stage 1 and stage 2 allowances are considered to be general allowances
d)	Definition of a restructured exposure	Consolidated Financial Statements	Note 2 - Summary of significant accounting policies, estimates and judgments - Allowance for credit losses - <i>Modifications</i>

CRB: Additional disclosure related to the credit quality of assets (continued)
(e) Breakdown of exposures by geographical areas, industry and residual maturity

The following table provides a breakdown of our credit risk exposures by industry, geographical areas and residual maturity. Our classification below reflects the Basel regulatory defined exposure classes. Amounts shown below reflect Exposures at default (EAD), which is the amount expected to be owed by an obligor at the time of default.

As at July 31, 2024

(Millions of Canadian dollars)	a	b		c	d	e
	On-balance sheet amount	Credit Risk ^{1,2}		Other ⁴	Repo-style Transaction	Counterparty Credit Risk ⁵ Derivatives
		Undrawn	Off-balance sheet amount ³			
Retail						
Residential secured ⁶	493,150	123,629				
Qualifying revolving	32,960	95,752				
Other retail	52,052	21,433	158			
Total Retail	578,162	240,814	158			
Wholesale						
Agriculture	12,975	3,232	72	-	-	181
Automotive	14,583	9,280	829	-	-	1,356
Banking	85,235	2,997	1,741	97,434	-	33,092
Consumer Discretionary	24,180	12,211	877	-	-	1,328
Consumer Staples	10,201	8,277	795	-	-	1,989
Oil and Gas	6,280	8,886	1,604	-	-	2,184
Financial Services	48,621	22,234	3,932	79,731	-	24,831
Financing Products	4,036	1,077	1,709	657	-	1,623
Forest Products	2,309	1,488	399	-	-	75
Governments	270,471	8,898	2,724	15,214	-	7,531
Industrial Products	15,868	13,133	1,055	-	-	997
Information Technology	6,618	8,375	268	37	-	940
Investments	28,985	4,673	752	90	-	294
Mining and Metals	2,749	4,082	1,738	-	-	436
Public Works and Infrastructure	2,840	2,138	1,408	-	-	276
Real Estate and Related	115,100	25,470	2,178	82	-	1,048
Other Services	35,098	14,781	3,464	-	-	1,169
Telecommunication and Media	8,559	6,767	123	-	-	2,802
Transportation	12,249	7,027	1,384	-	-	2,473
Utilities	14,765	21,208	5,581	-	-	5,564
Other Sectors	10,902	2,151	845	116	-	18,089
Total Wholesale	732,624	188,385	33,478	193,361	108,278	
Total Exposure¹	1,310,786	429,199	33,636	193,361	108,278	
By Geography⁷						
Canada	829,651	319,605	14,419	76,335	-	43,170
United States	348,779	80,268	14,598	66,927	-	23,008
Europe	59,931	21,853	2,425	32,776	-	29,328
Other International	72,425	7,473	2,194	17,323	-	12,772
Total Exposure^{1,7}	1,310,786	429,199	33,636	193,361	108,278	
By Maturity						
Unconditionally cancellable	51,819	285,686	-	-	-	-
Within 1 year	369,102	30,293	19,917	193,361	-	49,923
1 to 5 year	752,583	106,043	12,442	-	-	37,890
Over 5 years	137,282	7,177	1,277	-	-	20,465
Total Exposure¹	1,310,786	429,199	33,636	193,361	108,278	

¹ Excludes securitization and other assets not subject to standardized or IRB approach.

² EAD for Standardized exposures are reported net of Stage 3 allowances and EAD for IRB exposures are reported gross of all allowances for credit loss and partial write-off as per regulatory definitions.

³ EAD for Undrawn credit commitments and other off-balance sheet amounts are reported after the application of credit conversion factors.

⁴ Includes other off-balance sheet exposures such as letters of credit & guarantees.

⁵ Counterparty credit risk EAD reflects exposure amount after netting. Collateral is included in EAD for repo-style transactions to the extent allowed by regulatory guidelines. Exchange traded derivatives are included in Other Sectors.

⁶ Includes residential mortgages and HELOC.

⁷ Geographic profile is based on the country of residence of the borrower.

CRB: Additional disclosure related to the credit quality of assets (continued)

As at April 30, 2024

(Millions of Canadian dollars)	a	b	c	d	e
	On-balance sheet amount	Credit Risk ^{1,2}		Counterparty Credit Risk ⁵	
		Undrawn	Other ⁴	Repo-style Transaction	Derivatives
Retail					
Residential secured ⁶	488,527	122,018			
Qualifying revolving	32,144	94,324			
Other retail	50,642	20,918	138		
Total Retail	571,313	237,260	138		
Wholesale					
Agriculture	13,209	3,229	70	-	133
Automotive	14,556	9,125	827	-	1,233
Banking	85,886	3,282	2,850	90,789	36,740
Consumer Discretionary	23,872	12,041	926	-	1,224
Consumer Staples	10,054	8,322	739	-	2,125
Oil and Gas	6,754	9,571	1,762	-	2,603
Financial Services	47,317	25,876	4,539	76,902	25,223
Financing Products	3,545	1,026	1,859	633	1,134
Forest Products	2,379	1,443	395	-	72
Governments	249,347	8,117	2,080	4,356	6,338
Industrial Products	17,636	12,789	844	-	927
Information Technology	7,881	7,301	269	28	715
Investments	28,566	4,502	784	155	361
Mining and Metals	2,656	4,384	1,725	-	440
Public Works and Infrastructure	2,878	2,311	1,335	-	211
Real Estate and Related	116,720	24,438	2,034	82	888
Other Services	38,238	15,048	3,124	-	957
Telecommunication and Media	9,042	6,714	143	-	2,907
Transportation	13,439	7,010	1,291	-	2,451
Utilities	15,818	20,073	5,831	-	5,347
Other Sectors	9,634	1,742	304	100	28,961
Total Wholesale	719,427	188,344	33,731	173,045	120,990
Total Exposure¹	1,290,740	425,604	33,869	173,045	120,990
By Geography⁷					
Canada	835,960	315,129	13,254	70,918	53,840
United States	334,053	79,555	15,768	61,201	23,165
Europe	51,184	23,016	2,659	29,187	29,954
Other International	69,543	7,904	2,188	11,739	14,031
Total Exposure^{1,7}	1,290,740	425,604	33,869	173,045	120,990
By Maturity					
Unconditionally cancellable	50,898	281,910	-	-	-
Within 1 year	349,240	32,569	20,972	173,045	55,653
1 to 5 year	747,753	105,068	12,039	-	42,198
Over 5 years	142,849	6,057	858	-	23,139
Total Exposure¹	1,290,740	425,604	33,869	173,045	120,990

¹ Excludes securitization and other assets not subject to standardized or IRB approach.

² EAD for Standardized exposures are reported net of Stage 3 allowances and EAD for IRB exposures are reported gross of all allowances for credit loss and partial write-off as per regulatory definitions.

³ EAD for Undrawn credit commitments and other off-balance sheet amounts are reported after the application of credit conversion factors.

⁴ Includes other off-balance sheet exposures such as letters of credit & guarantees.

⁵ Counterparty credit risk EAD reflects exposure amount after netting. Collateral is included in EAD for repo-style transactions to the extent allowed by regulatory guidelines. Exchange traded derivatives are included in Other Sectors.

⁶ Includes residential mortgages and HELOC.

⁷ Geographic profile is based on the country of residence of the borrower.

CRB: Additional disclosure related to the credit quality of assets (continued)

(f) Amounts of impaired exposures (according to the definition used by the bank for accounting purposes) and related allowances and write-offs, broken down by geographical areas and industry

The following tables provide a breakdown of impaired exposures by geographical areas and industry.

As at July 31, 2024

Impaired exposures by geography ¹ and portfolio (Millions of Canadian dollars)	Gross impaired exposures	Allowance ²	Net impaired exposures
Canada			
Retail	1,538	433	1,105
Wholesale	2,236	535	1,701
Securities	-	-	-
Total - Canada	3,774	968	2,806
United States			
Retail	96	10	86
Wholesale	1,274	354	920
Securities	-	-	-
Total - United States	1,370	364	1,006
Other International			
Retail	166	82	84
Wholesale	375	106	269
Securities	146	(40)	186
Total - Other International	687	148	539
Total			
Retail	1,800	525	1,275
Wholesale	3,885	995	2,890
Securities	146	(40)	186
Total impaired exposures	5,831	1,480	4,351

¹ Geographic information is based on residence of borrower.

² Allowance reflects only Stage 3 IFRS 9 allowances and includes allowances on acquired credit-impaired loans and securities.

As at April 30, 2024

Impaired exposures by geography ¹ and portfolio (Millions of Canadian dollars)	Gross impaired exposures	Allowance ²	Net impaired exposures
Canada			
Retail	1,369	379	990
Wholesale	1,551	410	1,141
Securities	-	-	-
Total - Canada	2,920	789	2,131
United States			
Retail	100	11	89
Wholesale	1,793	513	1,280
Securities	-	-	-
Total - United States	1,893	524	1,369
Other International			
Retail	172	82	90
Wholesale	347	110	237
Securities	143	(39)	182
Total - Other International	662	153	509
Total			
Retail	1,641	472	1,169
Wholesale	3,691	1,033	2,658
Securities	143	(39)	182
Total impaired exposures	5,475	1,466	4,009

¹ Geographic information is based on residence of borrower.

² Allowance reflects only Stage 3 IFRS 9 allowances and includes allowances on acquired credit-impaired loans and securities.

CRB: Additional disclosure related to the credit quality of assets (continued)

Net write-offs by geography¹ and portfolio	For the three months ended July 31, 2024	For the three months ended April 30, 2024
(Millions of Canadian dollars)		
Canada		
Retail	327	337
Wholesale	15	17
Total Canada	342	354
United States²		
Retail	10	4
Wholesale	186	115
Total United States	196	119
Other International		
Retail	(2)	2
Wholesale ²	1	1
Total Other International	(1)	3
Total		
Retail	335	343
Wholesale	202	133
Total net write-offs	537	476

¹ Geographic information is based on residence of borrower.

² Includes acquired credit-impaired loans related to the acquisition of City National.

CRB: Additional disclosure related to the credit quality of assets (continued)

As at July 31, 2024

Impaired exposures by portfolio and sector	Gross impaired exposures	Allowance ¹	Net impaired exposures
(Millions of Canadian dollars)			
Retail			
Residential mortgages	1,102	237	865
Personal	406	199	207
Small business	292	89	203
Total Retail	1,800	525	1,275
Wholesale			
Agriculture	83	24	59
Automotive	221	67	154
Banking	67	35	32
Consumer Discretionary	395	96	299
Consumer Staples	186	68	118
Oil and Gas ²	8	3	5
Financial Services	116	42	74
Financial Products	250	32	218
Forest Products	160	33	127
Governments	3	1	2
Industrial Products	241	80	161
Information Technology	54	21	33
Investments	94	12	82
Mining and Metals	3	1	2
Public Works and Infrastructure	9	6	3
Real Estate and Related	1,425	330	1,095
Other Services	204	51	153
Telecommunication and Media	139	46	93
Transportation	155	41	114
Utilities	31	5	26
Other	41	1	40
Total Wholesale	3,885	995	2,890
Total impaired loans and acceptances	5,685	1,520	4,165
Securities	146	(40)	186
Total impaired exposures	5,831	1,480	4,351

¹ Allowance reflects only Stage 3 IFRS 9 allowances and includes allowances on acquired credit-impaired loans and securities.

² Allowance includes expected credit losses for undrawn letters of credit.

CRB: Additional disclosure related to the credit quality of assets (continued)

As at April 30, 2024

Impaired exposures by portfolio and sector	Gross impaired exposures	Allowance ¹	Net impaired exposures
(Millions of Canadian dollars)			
Retail			
Residential mortgages	983	206	777
Personal	367	188	179
Small business	291	78	213
Total Retail	1,641	472	1,169
Wholesale			
Agriculture	98	32	66
Automotive	185	55	130
Banking	2	-	2
Consumer Discretionary	321	105	216
Consumer Staples	227	98	129
Oil and Gas ²	8	2	6
Financial Services	111	43	68
Financial Products	270	28	242
Forest Products	64	8	56
Governments	3	-	3
Industrial Products	259	99	160
Information Technology	44	21	23
Investments	109	14	95
Mining and Metals	25	2	23
Public Works and Infrastructure	10	6	4
Real Estate and Related	1,487	365	1,122
Other Services	178	51	127
Telecommunication and Media	108	51	57
Transportation	116	46	70
Utilities	33	6	27
Other	33	1	32
Total Wholesale	3,691	1,033	2,658
Total impaired loans and acceptances	5,332	1,505	3,827
Securities	143	(39)	182
Total impaired exposures	5,475	1,466	4,009

¹ Allowance reflects only Stage 3 IFRS 9 allowances and includes allowances on acquired credit-impaired loans and securities.

² Allowance includes expected credit losses for undrawn letters of credit.

CRB: Additional disclosure related to the credit quality of assets (continued)
(g) Ageing analysis of accounting past-due exposures

The following table provides the ageing of our retail and wholesale past due exposures. Amounts presented may include loans past due as a result of administrative processes, such as mortgage loans on which payments are restrained pending payout due to sale or refinance, which can fluctuate based on business volumes. Past due loans arising from administrative processes are not representative of the borrowers' ability to meet their payment obligations. The table excludes loans less than 30 days past due as they are not generally representative of the borrowers' ability to meet their payment obligations.

As at July 31, 2024

(Millions of Canadian dollars)	30 to 89 days	90 days and greater	Total
Retail	2,335	250	2,585
Wholesale	1,278	57	1,335
Total	3,613	307	3,920

As at April 30, 2024

(Millions of Canadian dollars)	30 to 89 days	90 days and greater	Total
Retail	2,112	255	2,367
Wholesale	1,133	9	1,142
Total	3,245	264	3,509

(h) Breakdown of restructured exposures between impaired and not impaired exposures

Restructured exposures actively benefitting from modified contractual terms as at Jul 31, 2024 are not material (Apr 30, 2024 – not material).



CRC: Qualitative disclosure requirements related to credit risk mitigation techniques

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement	RBC 2023 Annual Report section	Sub-section
a) Core features of policies and processes for, and an indication of the extent to which the bank makes use of, on- and off-balance sheet netting	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>
	Consolidated Financial Statements	Note 9 - Derivative financial instruments and hedging activities – <i>Derivative-related credit risk</i>
		Note 30 - Offsetting financial assets and financial liabilities
b) Core features of policies and processes for collateral evaluation and management	Credit risk	Credit risk mitigation – <i>Collateral</i>
c) Information about market or credit risk concentrations under the credit risk mitigation instruments used	Credit risk	Credit risk mitigation
		Credit risk approval – <i>Credit risk limits</i>
	Consolidated Financial Statements	Note 9 - Derivative financial instruments and hedging activities

CR3: Credit risk mitigation techniques – overview

We utilize allowed regulatory credit mitigation techniques to reduce capital requirements associated with our balance sheet exposures. The following table presents a detailed breakdown of our unsecured and secured loan and debt and equity securities exposures. Secured exposures are mitigated by way of additional collateral or guarantees being requested of the borrower. We sometimes also utilize credit derivatives to mitigate our on-balance sheet exposures.

As at July 31, 2024

		a	b	c	d	f
	(Millions of Canadian dollars)	Exposures unsecured: carrying amount	Exposures to be secured ¹	Exposures secured by collateral ¹	Exposures secured by financial guarantees ^{1,2}	Exposures secured by credit derivatives
1	Loans ³	188,888	752,731	556,492	196,239	-
2	Debt securities	218,309	19,690	18,844	846	-
2a	Equity securities	2,895	-	-	-	-
3	Total	407,195	772,421	575,336	197,085	-
4	Of which defaulted ⁴	2,332	2,727	2,164	564	-

¹ Column c and d are a subset of column b (b = c + d).

² Credit mitigation allocation for multi-secured exposures is made by way of order of priority of available mitigation to be utilized: financial guarantees portion first followed by collateral for any remaining balance.

³ Securitised mortgages that do not qualify as securitized under IFRS or regulatory capital requirements are recognized as collateralized in column c.

⁴ Defaulted exposures are net of Stage 3 allowances.

As at April 30, 2024

		a	b	c	d	f
	(Millions of Canadian dollars)	Exposures unsecured: carrying amount	Exposures to be secured ¹	Exposures secured by collateral ¹	Exposures secured by financial guarantees ^{1,2}	Exposures secured by credit derivatives
1	Loans ³	203,431	730,079	546,878	183,201	-
2	Debt securities	209,501	16,970	16,688	282	-
2a	Equity securities	2,813	-	-	-	-
3	Total	412,932	747,048	563,565	183,483	-
4	Of which defaulted ⁴	2,596	1,981	1,799	182	-

¹ Column c and d are a subset of column b (b = c + d).

² Credit mitigation allocation for multi-secured exposures is made by way of order of priority of available mitigation to be utilized: financial guarantees portion first followed by collateral for any remaining balance.

³ Securitised mortgages that do not qualify as securitized under IFRS or regulatory capital requirements are recognized as collateralized in column c.

⁴ Defaulted exposures are net of Stage 3 allowances.

CRD: Qualitative disclosures on banks' use of external credit ratings under the standardized approach for credit risk

As detailed in section CR4, certain of our portfolios' RWA amounts are calculated as per OSFI's CAR Guideline Standardized Approach requirements. OSFI's Standardized Approach methodology allows for the reliance on the external credit ratings of counterparties, issued by independent rating agencies, for the determination of RWA. Five external rating agencies ratings, namely, Standard & Poor's (S&P), Moody's Investors Service (Moody's), Fitch Rating Services (Fitch), DBRS and Kroll Bond Rating Agency, Inc. (Kroll) have been approved by OSFI. Currently, external ratings are used to determine the RWA amounts associated with our wholesale exposures under the asset classes of corporate, sovereign, public sector entities, multilateral development banks, banks, and securities firms. As well, external ratings are used for determining the risk weighting for certain of our securitization's exposures.

External ratings utilized from the above-mentioned rating agencies are either an issuer rating or an issue-specific rating. We rely on an issue-specific rating if it is available for the purposes of determining RWA for the exposures we hold. We utilize the issuer rating only for our exposures which rank pari-passu with senior claims of the issuer.

Our supervisor specifies in its CAR guideline the required standard mapping of long-term external ratings of the above rating agencies to an equivalent risk weight. We rely on OSFI's mapping to determine the appropriate risk buckets for our Standardized Approach portfolios under the guideline. OSFI's current mapping of external rating agencies rating is reflected in the table below:

Long-term rating					
Standardized Risk Weight Category	S&P	Moody's	Fitch	DBRS	Kroll
Long Term					
(AAA to AA-)	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA (low)	AAA to AA-
(A+ to A-)	A+ to A-	A1 to A3	A+ to A-	A(high) to A(low)	A+ to A-
(BBB+ to BBB-)	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB(high) to BBB(low)	BBB+ to BBB-
(BB+ to BB-)	BB+ to BB-	Ba1 to Ba3	BB+ to BB-	BB(high) to BB(low)	BB+ to BB-
(B+ to B-)	B+ to B-	B1 to B3	B+ to B-	B(high) to B(low)	B+ to B-
(Below B-)	Below B-	Below B3	Below B-	CCC or lower	Below B-

We understand that OSFI reviews the list of acceptable rating agencies and will reflect any changes in allowed rating agencies in its update of the CAR guidelines.

CR4: Standardized approach – credit risk exposure and credit risk mitigation (CRM) effects

The following table provides the effect of CRM on the calculation of capital requirements under the standardized approach. It presents on-balance sheet and off-balance sheet exposures before and after credit conversion factors (CCF) and CRM as well as associated RWA and RWA density by asset classes. As noted in CRD, the external ratings of the counterparty is relied on to determine the prescribed regulatory risk weight to be assigned.

As at July 31, 2024

	(Millions of Canadian dollars, except as otherwise noted)	a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset Classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereigns and their central banks ¹	37,181	415	37,454	41	79	0.2%
2	Public sector entities (PSEs)	11,051	879	27,072	339	2,398	8.7%
3	Multilateral development banks	3,657	-	3,657	-	5	0.1%
4	Banks	7,943	7,223	9,362	1,904	9,800	87.0%
	Of which: securities firms and other financial institutions treated as banks	5,566	6,897	7,042	1,807	8,021	90.6%
5	Covered bonds	1,375	-	1,375	-	275	20.0%
6	Corporates ¹	63,741	44,347	49,285	8,659	54,068	93.3%
	Of which: securities firms and other financial institutions treated as corporates	953	294	1,303	98	1,077	76.9%
	Of which: specialised lending	-	-	-	-	-	-
7	Subordinated debt, equity and other capital	3,435	1,092	3,435	434	7,808	201.8%
8	Retail	7,880	10,498	7,880	2,403	6,708	65.2%
9	Real estate ¹	40,042	1,864	22,536	195	16,635	73.2%
	Of which: general RRE	20,656	24	3,430	4	1,415	41.2%
	Of which: IPRRE	3,709	-	3,437	-	2,218	64.5%
	Of which: other RRE	-	-	-	-	-	-
	Of which: general CRE	10,899	-	10,890	-	7,489	68.8%
	Of which: IPCRE	40	-	40	-	42	105.0%
	Of which: land acquisition, development and construction	4,738	1,840	4,738	191	5,471	111.0%
10	Reverse mortgages	-	-	-	-	-	-
11	Mortgage-backed securities ²						
12	Defaulted exposures	785	28	744	4	1,053	140.8%
13	Other assets	30,321	-	30,321	-	24,664	81.3%
14	Total	207,411	66,346	193,121	13,979	123,493	59.6%

¹ When CRM is available in the form of an eligible guarantee, the portion that is covered by the guarantee will attract the risk weight of the protection provider and will be reflected in the protection provider's asset class in column c and d.

² Mortgage-backed securities exposure and RWA are included in Sovereign or PSE to reflect ultimate risk.



As at April 30, 2024

	(Millions of Canadian dollars, except as otherwise noted)	a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset Classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereigns and their central banks ¹	35,916	387	36,262	39	97	0.3%
2	Public sector entities (PSEs)	11,837	973	28,179	372	2,548	8.9%
3	Multilateral development banks	3,678	-	3,678	-	5	0.1%
4	Banks	7,598	7,207	9,028	1,825	9,353	86.2%
	Of which: securities firms and other financial institutions treated as banks	5,047	6,740	6,534	1,668	7,369	89.8%
5	Covered bonds	1,376	-	1,376	-	276	20.1%
6	Corporates ¹	63,017	44,529	47,409	8,486	52,073	93.2%
	Of which: securities firms and other financial institutions treated as corporates	1,082	648	1,421	227	1,301	78.9%
	Of which: specialised lending	-	-	-	-	-	-
7	Subordinated debt, equity and other capital	3,184	1,130	3,184	452	7,061	194.2%
8	Retail	7,520	9,937	7,520	2,303	6,362	64.8%
9	Real estate ¹	40,963	2,163	23,111	225	17,079	73.2%
	Of which: general RRE	20,927	26	3,371	5	1,392	41.2%
	Of which: IPRRE	3,733	-	3,452	-	2,218	64.3%
	Of which: other RRE	-	-	-	-	-	-
	Of which: general CRE	11,298	-	11,283	-	7,789	69.0%
	Of which: IPCRE	39	-	39	-	41	105.1%
	Of which: land acquisition, development and construction	4,967	2,136	4,967	220	5,638	108.7%
10	Reverse mortgages	-	-	-	-	-	-
11	Mortgage-backed securities ²						
12	Defaulted exposures	764	32	713	5	1,031	143.6%
13	Other assets	28,223	-	28,223	-	21,994	77.9%
14	Total	204,076	66,358	188,683	13,707	117,879	58.2%

¹ When CRM is available in the form of an eligible guarantee, the portion that is covered by the guarantee will attract the risk weight of the protection provider and will be reflected in the protection provider's asset class in column c and d.

² Mortgage-backed securities exposure and RWA are included in Sovereign or PSE to reflect ultimate risk.

In Q2 2024, our Standardized Approach exposures include acquired HSBC Canada assets post CRM of \$4 billion reflecting \$2.3 billion in our wholesale portfolio and \$1.7 billion in our retail portfolio with associated wholesale RWA of \$1.6 billion and retail RWA of \$0.9 billion. HSBC Canada other assets RWA included was \$0.9 billion.

CR5: Standardized approach – exposures by asset classes and risk weights

The following table presents the breakdown of credit risk exposures under the standardized approach by asset classes and risk weight.

As at July 31, 2024 (in millions of Canadian dollars)

		0%	20%	50%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)				
1	Sovereigns and their central banks	37,397	-	37	61	-	-	37,495				
2	Public sector entities (PSEs)	0%	20%	50%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)				
		16,021	11,241	-	149	-	-	27,411				
3	Multilateral development banks	0%	20%	30%	50%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)			
		3,633	24	-	-	-	-	-	3,657			
4	Banks	20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)		
		93	662	-	203	-	8,832	-	1,476	11,266		
	Of which: securities firms and other financial institutions	2	-	-	-	-	7,372	-	1,476	8,850		
5	Covered bonds	20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)		
		1,371	4	-	-	-	-	-	-	1,375		
6	Corporates	20%	50%	65%	75%	80%	85%	100%	130%	150%	Other	Total credit exposures amount (post CCF and post-CRM)
		1,641	56	-	560	-	17,526	37,692	-	469	-	57,944
	Of which: securities firms and other financial institutions	350	-	-	-	-	296	755	-	-	-	1,401
	Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-
7	Subordinated debt, equity and other capital	0%	20%	100%	250%	400%	Other	Total credit exposures amount (post CCF and post-CRM)				
		271	30	903	2,505	158	2	3,869				
8	Retail	15%	75%	100%	Other	Total credit exposures amount (post CCF and post-CRM)						
		1,673	8,610	-	-	10,283						



As at July 31, 2024 (in millions of Canadian dollars)

		20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)	
9	Real estate	347	275	585	1,554	5	296	692	-	6,829	1,345	873	2,307	1,231	5	5,266	3	33	1,085	-	22,731	
	Of which: general RRE	347	275	447	1,424	5		66			-	870	-	-		-			-	-	-	3,434
	Of which: IPRRE			138	130		296	625		15			2,230				3			-	-	3,437
	Of which: other RRE			-	-		-		-	-			-				-			-	-	-
	Of which: general CRE	-		-		-		-	-	6,814	1,345		77	1,231		1,423				-	-	10,890
	Of which: IPCRE											3			4			33		-	-	40
	Of which: land acquisition, development and construction															3,844				1,085	-	4,929

10	Reverse mortgages	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)	

11	Mortgage-backed securities ¹	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)	
				-	-		-			-						-				-	-	-

¹ Mortgage-backed securities exposure and RWA are included in Sovereign or PSE to reflect ultimate risk.

		50%			100%			150%			Other	Total credit exposures amount (post CCF and post-CRM)
12	Defaulted exposures	-			136			612			-	748

13	Other assets	0%		20%		100%		1250%		Others		Total credit exposures amount (post CCF and post-CRM)
		5,657		-		24,664		-		-		30,321



As at July 31, 2024 (in millions of Canadian dollars)

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures					
		a	b	c	d
		On-balance sheet exposure	Off-balance sheet exposure (pre-CCF)	Weighted average CCF*	Exposure (post-CCF and post-CRM)
1	Less than 40%	75,559	6,809	26.7%	82,479
2	40 - 70%	16,309	137	28.5%	11,812
3	75 - 80%	10,362	5,159	21.9%	11,477
4	85%	18,323	4,116	28.2%	18,756
5	90 - 100%	82,041	49,585	23.1%	77,710
6	105 - 130%	36	-	-	36
7	150%	2,119	532	22.4%	2,167
8	250%	2,504	8	22.4%	2,505
9	400%	158	-	-	158
10	1250%				
11	Total exposures	207,411	66,346	23.7%	207,100

* Weighting is based on off-balance sheet exposure (pre-CCF).



As at April 30, 2024 (in millions of Canadian dollars)

		0%	20%	50%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)				
1	Sovereigns and their central banks	36,204	-	-	97	-	-	36,301				
2	Public sector entities (PSEs)	0%	20%	50%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)				
		16,350	12,066	-	135	-	-	28,551				
3	Multilateral development banks	0%	20%	30%	50%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)			
		3,654	23	-	-	-	-	-	3,677			
4	Banks	20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)		
		69	725	-	210	-	8,363	-	1,486	10,853		
		Of which: securities firms and other financial institutions	1	-	-	-	-	6,715	-	1,486	8,202	
5	Covered bonds	20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)		
		1,372	4	-	-	-	-	-	-	1,376		
6	Corporates	20%	50%	65%	75%	80%	85%	100%	130%	150%	Other	Total credit exposures amount (post CCF and post-CRM)
		1,598	81	-	453	-	17,474	35,827	-	461	-	55,894
		Of which: securities firms and other financial institutions	340	-	-	-	-	502	806	-	-	-
	Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-
7	Subordinated debt, equity and other capital	0%	20%	100%	250%	400%	Other	Total credit exposures amount (post CCF and post-CRM)				
		270	30	921	2,348	66	2	3,637				
8	Retail	15%	75%	100%	Other	Total credit exposures amount (post CCF and post-CRM)						
		1,676	8,148	-	-	9,824						



As at April 30, 2024 (in millions of Canadian dollars)

		20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
9	Real estate	337	259	579	1,550	5	289	732	-	6,997	1,372	855	2,286	1,340	4	5,792	3	32	904	-	23,336		
	Of which: general RRE	337	259	438	1,418	5		66			-	853	-	-		-			-	-	-	3,376	
	Of which: IPRRE			140	132		289	666		15			2,206				3			-	-	3,451	
	Of which: other RRE			-	-		-			-			-				-			-	-	-	
	Of which: general CRE	-		-			-			-	6,982	1,372		80	1,340		1,509				-	-	11,283
	Of which: IPCRE												3			3			32	-	-	38	
	Of which: land acquisition, development and construction															4,283			904	-	-	5,187	
10	Reverse mortgages	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
11	Mortgage-backed securities ¹	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
				-	-		-				-						-				-	-	-

¹ Mortgage-backed securities exposure and RWA are included in Sovereign or PSE to reflect ultimate risk.

		50%			100%			150%			Other	Total credit exposures amount (post CCF and post-CRM)
12	Defaulted exposures	-			92			626			-	718

		0%		20%		100%		1250%		Others		Total credit exposures amount (post CCF and post-CRM)
13	Other assets	6,229		-		21,994		-		-		28,223



As at April 30, 2024 (in millions of Canadian dollars)

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures					
		a	b	c	d
		On-balance sheet exposure	Off-balance sheet exposure (pre-CCF)	Weighted average CCF*	Exposure (post-CCF and post-CRM)
1	Less than 40%	75,861	6,727	27.1%	82,993
2	40 - 70%	16,688	122	30.9%	12,028
3	75 - 80%	9,854	4,701	22.3%	10,887
4	85%	18,809	4,520	27.4%	18,815
5	90 - 100%	78,377	49,810	22.5%	73,225
6	105 - 130%	35	-	-	35
7	150%	2,039	475	22.4%	1,993
8	250%	2,347	3	22.4%	2,348
9	400%	66	-	-	66
10	1250%				
11	Total exposures	204,076	66,358	23.4%	202,390

* Weighting is based on off-balance sheet exposure (pre-CCF).

CRE: Qualitative disclosures related to internal risk-based (IRB) models

In measuring credit risk to determine regulatory capital, two principal approaches applied are: the Internal Ratings Based (IRB) approach and the Standardized approach. The majority of our credit risk exposures are reported under the IRB approach, as approved by the Office of the Superintendent of Financial Institutions (OSFI). The remainder of our portfolios are reported under the Standardized approach. The Standardized approach uses risk weights prescribed by OSFI to calculate RWA for credit risk exposures.

Under the IRB approach, we determine our own estimates for Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). They are the key credit parameters that form the basis of our credit risk measures. Internal ratings for borrower facilities and their corresponding estimates are used for credit approval, risk management, internal capital allocations, and corporate governance functions. In addition, the IRB parameter estimates are critical inputs for enterprise and regulatory stress-testing.

In accordance with the IRB approach for credit risk, models are designed for wholesale and retail portfolios. For Wholesale portfolios, a PD is estimated for each internal borrower grade and LGD and EAD parameters are estimated for each credit facility. For Retail portfolios, borrowers are risk rated using internal credit scoring models. Credit scores are one of the key drivers for segmentation of the portfolios into pools. Retail PD, EAD and LGD parameters are estimated at the pool level. All IRB approach regulatory capital models for wholesale and retail credit risk are subject to approval by OSFI.

Credit parameter estimates are based on our internal historical default and loan loss experience and are augmented by external data where appropriate. We employ a two-dimensional risk rating system for the majority of our credit portfolios. The first dimension is oriented to the risk of borrower default and quantified through the PD assigned to the borrower. The second dimension captures transaction-specific factors such as collateral, product type, and seniority, and is quantified by LGD and EAD estimates that apply at the credit facility level.

PD is an estimated percentage that represents the likelihood of default of an obligor within a given time period for a specific rating grade or for a particular pool of exposure. Each wholesale obligor is assigned a Borrower Risk Rating (BRR), reflecting an assessment of the credit quality of the obligor and each BRR has a PD calibrated against it. The assignment of BRRs is based on the evaluation of the obligor's business risk and financial risk and is based on fundamental credit analysis, as well as data-driven modelling. PD estimates are designed to be a long-run average of our experience across the economic cycle with margins of conservatism related to the likely range of errors. The BRR differentiates the riskiness of obligors and represents our evaluation of the obligors' ability and willingness to meet their contractual obligations on time over a three-year time horizon.

EAD is an amount expected to be owed by an obligor at the time of default. EAD is estimated based on the current exposure to the obligor and the possible future changes in that exposure driven by factors such as the nature of the credit commitment. Rates are estimated to reflect an economic downturn, with added conservatism to reflect data and statistical uncertainties identified in the modelling process.

LGD is an estimated percentage of EAD that is not expected to be recovered during the collection and recovery process. Each credit facility is assigned an LGD rate reflective of the extent of losses anticipated in the event the obligor defaults. Factors used in estimating LGD include seniority of debt, collateral security, and the industry sector in which the obligor operates. Estimated LGD rates draw primarily on internal loss experience and appropriate external data is used to supplement the estimation process when necessary. LGD rates are estimated to reflect conditions that might be expected to prevail in an economic downturn, with additional conservatism added to reflect data limitations and statistical uncertainties identified in the estimation process.

The IRB credit risk parameters are reviewed, at a minimum, annually and more frequently if deemed necessary by an independent validation team within the bank. In addition, quarterly monitoring and back-testing procedures are performed to compare the realized results with established estimates by the model development team.

CRE: Qualitative disclosures related to internal risk-based (IRB) models (continued)
EAD Covered by the Various Approaches

The following table outlines the percentage of our EAD covered by the IRB and Standardized approaches for each of our portfolios. This table reflects the methodology outlined by OSFI for IRB banks to determine whether they are meeting the 80% threshold calculation minimum requirement.

As at July 31, 2024

EAD (in %)	EAD covered by the various approaches			
	Standardized Approach ¹	Advanced Approach (A-IRB)	Foundation Approach (F-IRB)	Other
Retail				
Residential secured	1%	99%	-	-
Qualifying revolving	2%	98%	-	-
Other retail	11%	89%	-	-
Wholesale				
Corporate	14%	46%	40%	-
Sovereign	16%	84%	-	-
Bank	25%	-	75%	-
Equity	100%	-	-	-
Total credit risk	10%	77%	13%	-
Counterparty credit risk	-	16%	70%	14%
Securitization	37%	63%	-	-
Other assets not subject to Standardized or IRB Approaches	-	-	-	100%
Total²	10%	68%	22%	-

¹ Standardized Approach includes assumptions and waivers granted by OSFI based on an OSFI approved rollout plan.

² The total for this table is calculated using OSFI's guidance on the exposures to be included in the 80% EAD Threshold Calculation for IRB banks.

As at April 30, 2024

EAD (in %)	EAD covered by the various approaches			
	Standardized Approach ¹	Advanced Approach (A-IRB)	Foundation Approach (F-IRB)	Other
Retail				
Residential secured	1%	99%	-	-
Qualifying revolving	2%	98%	-	-
Other retail	11%	89%	-	-
Wholesale				
Corporate	14%	50%	36%	-
Sovereign	17%	83%	-	-
Bank	25%	-	75%	-
Equity	100%	-	-	-
Total credit risk	10%	78%	12%	-
Counterparty credit risk	1%	13%	68%	18%
Securitization	36%	64%	-	-
Other assets not subject to Standardized or IRB Approaches	-	-	-	100%
Total²	10%	69%	21%	-

¹ Standardized Approach includes assumptions and waivers granted by OSFI based on an OSFI approved rollout plan.

² The total for this table is calculated using OSFI's guidance on the exposures to be included in the 80% EAD Threshold Calculation for IRB banks.

CRE: Qualitative disclosures related to internal risk-based (IRB) models (continued)**Parameters Governance**

The techniques used to develop models are in accordance with banking industry standards and regulatory requirements. We calibrate our models to ensure that variations of default rates through an economic cycle are included in the underlying data. We also build conservatism into our model development process to reflect statistical uncertainties.

Our models have Model Development Owners (MDO) who are accountable for the development and performance of models within the framework set by our policies, standards and procedures. MDOs are responsible for collecting, defining and documenting model requirements, collecting and reviewing data, testing and evaluating, designing model performance monitoring, and documenting.

Our models are required to be independently reviewed and comprehensively evaluated by the Enterprise Model Risk Management (EMRM) team. EMRM is responsible for the review and challenge of the methodology underpinning the estimation of the parameters. EMRM issues a report at the end of each validation exercise that documents the scope, approach and findings of the review. The parameters reviewed by EMRM are presented to the Credit Models Governance Committee and approved by RBC's senior risk management committee.

Back-testing of Parameters and Model Performance

The IRB credit risk parameters are reviewed, at a minimum, annually and more frequently if deemed necessary. In order to ensure that any material events are identified in a timely fashion, we engage in regular monitoring of realized results against established estimates. In cases where the actual results exceed predefined thresholds, a review of the results will be conducted and documented which may lead to a re-calibration of the parameters. Any recommended changes to the parameters would be approved by the Credit Models Governance Committee, and OSFI as applicable.

CR6: A-IRB – Credit risk exposures by portfolio and PD range

The following table provides the key parameters used for the calculation of capital requirements for credit risk exposures under the A-IRB approach, broken down by asset class and PD range.

As at July 31, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
	(Millions of Canadian dollars, except as otherwise noted)	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
	PD scale ¹												
	Asset Classes												
1	Sovereigns												
	0.00 to < 0.15	276,868	35,909	67.28	363,749	0.02	1,057	12.69	2.47	11,325	3.1	10	
	0.15 to < 0.25	53	31	59.62	72	0.24	42	29.94	2.26	22	30.3	-	
	0.25 to < 0.50	422	32	53.45	440	0.46	242	18.18	2.69	123	27.9	-	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	65	44	60.20	91	1.27	38	23.15	2.63	47	51.0	-	
	2.50 to < 10.00	4	5	63.27	7	2.81	8	25.78	1.38	4	65.1	-	
	10.00 to < 100.00	-	-	61.75	-	29.33	4	40.00	1.41	-	210.5	-	
	100.00 (default)	39	-	-	39	100.00	7	44.75	2.50	-	0.4	35	
	Total Sovereigns	277,451	36,021	67.26	364,398	0.03	1,398	12.70	2.47	11,521	3.2	45	36
2	Corporates												
	0.00 to < 0.15	24,962	30,679	62.66	45,343	0.09	20,589	33.87	1.75	6,866	15.1	14	
	0.15 to < 0.25	17,516	11,909	57.38	24,225	0.24	9,070	34.36	1.87	7,021	29.0	20	
	0.25 to < 0.50	22,137	14,250	54.66	28,195	0.44	8,851	33.94	1.89	11,446	40.6	42	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	69,631	43,645	53.10	84,035	1.26	23,038	33.92	1.89	52,325	62.3	360	
	2.50 to < 10.00	14,893	9,609	54.33	16,994	4.10	7,671	35.72	1.97	15,947	93.8	250	
	10.00 to < 100.00	2,305	1,069	61.42	2,683	24.89	1,909	37.34	1.77	4,637	172.9	248	
	100.00 (default)	2,731	66	66.13	2,639	100.00	1,468	39.88	1.77	7,470	283.1	570	
	Total Corporates	154,175	111,227	56.59	204,114	2.59	72,596	34.23	1.86	105,712	51.8	1,504	1,704
3	Corporate – Specialised Lending												
	0.00 to < 0.15	3,528	2,458	53.73	4,654	0.10	64	35.47	2.78	1,147	24.6	2	
	0.15 to < 0.25	3,287	2,316	50.87	4,643	0.24	51	27.23	2.93	1,477	31.8	3	
	0.25 to < 0.50	6,893	2,054	55.99	7,960	0.46	337	29.99	2.32	3,382	42.5	11	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	11,328	4,514	50.19	12,519	1.28	367	28.48	2.07	7,506	59.9	46	
	2.50 to < 10.00	2,324	1,278	51.55	2,026	4.53	114	29.98	2.29	1,723	85.1	29	
	10.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	
	100.00 (default)	523	-	-	523	100.00	6	36.15	1.75	1,013	193.5	109	
	Total Corporate – Specialised Lending	27,883	12,620	52.08	32,325	2.56	939	29.90	2.36	16,248	50.3	200	316
4	Total Wholesale	459,509	159,868	58.64	600,837	1.04	74,933	20.94	2.26	133,481	22.2	1,749	2,056

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. For Retail exposures, a borrower can appear in multiple PD bands if the borrower has more than one type of product with the bank. In addition, Retail obligors include borrowers where the portion of the exposure has been securitized given CAR guideline requirements related to retained interests. Wholesale obligors are reflected as unique borrowers. For example, sovereign obligors include central banks or agencies, public sector entities and multilateral development banks which are each reflected as unique borrowers in the sovereign asset class. Retail borrowers with both Visa and Mastercard are counted as one borrower in the asset class qualifying revolving retail.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.

CR6: A-IRB – Credit risk exposures by portfolio and PD range (continued)

As at July 31, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
(Millions of Canadian dollars, except as otherwise noted)	PD scale ¹	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
Asset Classes													
5	Retail - Residential mortgage exposures												
	0.00 to < 0.15	354,887	138,756	86.56	475,000	0.12	1,695,295	19.97		26,630	5.6	116	
	0.15 to < 0.25	12,895	46	100.00	7,762	0.15	84,754	15.99		408	5.3	2	
	0.25 to < 0.50	47,369	497	100.00	17,697	0.35	174,099	14.20		1,565	8.8	9	
	0.50 to < 0.75	848	-	-	848	0.51	2,706	21.66		146	17.2	1	
	0.75 to < 2.50	35,318	2,622	90.30	31,873	0.89	130,264	20.45		7,639	24.0	58	
	2.50 to < 10.00	11,737	459	90.39	9,227	4.06	54,838	19.50		5,111	55.4	72	
	10.00 to < 100.00	4,482	169	109.31	3,933	27.28	14,112	20.62		4,122	104.8	223	
	100.00 (default)	1,139	2	5.00	946	100.00	3,730	20.70		576	60.9	166	
	Total Retail - Residential mortgage exposures	468,675	142,551	86.72	547,287	0.61	2,159,798	19.76		46,197	8.4	647	522
5a	Of which: Retail - Insured exposure secured by real estate												
	0.00 to < 0.15	-	-	-	-	-	-	-		-	-	-	-
	0.15 to < 0.25	12,782	-	-	7,603	0.15	84,677	15.01		374	4.9	2	
	0.25 to < 0.50	43,031	-	-	12,862	0.33	170,099	11.84		888	6.9	5	
	0.50 to < 0.75	-	-	-	-	-	-	-		-	-	-	-
	0.75 to < 2.50	5,834	-	-	21	1.12	25,336	14.47		4	19.5	-	
	2.50 to < 10.00	2,929	-	-	4	4.29	15,773	14.07		2	41.5	-	
	10.00 to < 100.00	738	-	-	4	38.31	3,159	15.23		3	72.4	-	
	100.00 (default)	196	-	-	3	100.00	1,071	14.23		6	177.9	-	
	Total Retail – Insured exposure secured by real estate	65,510			20,497	0.29	300,115	13.02		1,277	6.2	7	9
5b	Of which: Retail - Uninsured mortgages												
	0.00 to < 0.15	321,080	756	100.00	321,836	0.14	822,128	18.06		17,940	5.6	80	
	0.15 to < 0.25	113	46	100.00	159	0.16	77	62.93		34	21.7	-	
	0.25 to < 0.50	4,059	247	100.00	4,306	0.41	3,354	19.81		580	13.5	4	
	0.50 to < 0.75	848	-	-	848	0.51	2,706	21.66		146	17.2	1	
	0.75 to < 2.50	27,039	400	100.00	27,439	0.91	64,479	19.51		6,400	23.3	49	
	2.50 to < 10.00	7,771	21	100.00	7,792	4.02	23,638	18.43		4,059	52.1	57	
	10.00 to < 100.00	3,318	-	-	3,318	27.33	7,314	19.78		3,329	100.4	181	
	100.00 (default)	803	-	-	803	100.00	1,780	19.78		501	62.4	131	
	Total Retail – Uninsured mortgages	365,031	1,470	100.00	366,501	0.75	925,476	18.24		32,989	9.0	503	401

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. For Retail exposures, a borrower can appear in multiple PD bands if the borrower has more than one type of product with the bank. In addition, Retail obligors include borrowers where the portion of the exposure has been securitized given CAR guideline requirements related to retained interests. Wholesale obligors are reflected as unique borrowers. For example, sovereign obligors include central banks or agencies, public sector entities and multilateral development banks which are each reflected as unique borrowers in the sovereign asset class. Retail borrowers with both Visa and Mastercard are counted as one borrower in the asset class qualifying revolving retail.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.



CR6: A-IRB – Credit risk exposures by portfolio and PD range (continued)

As at July 31, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
	(Millions of Canadian dollars, except as otherwise noted)	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
	PD scale ¹												
Asset Classes													
5c	Of which: HELOCs												
	0.00 to < 0.15	33,806	138,000	86.49	153,164	0.10	873,167	23.99		8,690	5.7	36	
	0.15 to < 0.25	-	-	-	-	-	-	-		-	-	-	
	0.25 to < 0.50	279	250	100.00	529	0.34	677	26.08		97	18.3	-	
	0.50 to < 0.75	-	-	-	-	-	-	-		-	-	-	
	0.75 to < 2.50	2,445	2,222	88.56	4,413	0.77	40,451	26.38		1,235	28.0	9	
	2.50 to < 10.00	1,038	438	89.93	1,431	4.27	15,427	25.32		1,050	73.4	15	
	10.00 to < 100.00	427	169	109.31	612	26.90	3,639	25.20		790	129.2	42	
	100.00 (default)	140	2	5.00	140	100.00	879	26.15		69	49.6	34	
	Total HELOC	38,135	141,081	86.58	160,289	0.34	934,240	24.08		11,931	7.4	136	92
6	Qualifying revolving retail												
	0.00 to < 0.15	6,564	44,532	89.34	46,349	0.09	5,947,886	92.99		2,298	5.0	37	
	0.15 to < 0.25	10,267	42,609	85.18	46,562	0.18	2,158,200	89.98		4,049	8.7	74	
	0.25 to < 0.50	621	4,498	89.11	4,629	0.36	3,774,563	89.14		694	15.0	15	
	0.50 to < 0.75	2,156	5,984	88.87	7,474	0.61	1,100,434	94.69		1,843	24.7	43	
	0.75 to < 2.50	7,692	6,887	88.87	13,813	1.61	2,239,795	90.93		6,862	49.7	202	
	2.50 to < 10.00	3,402	1,947	91.81	5,190	4.36	1,195,604	91.69		5,126	98.8	207	
	10.00 to < 100.00	1,210	363	112.92	1,620	31.19	592,636	90.04		3,455	213.2	462	
	100.00 (default)	102	1	5.15	102	100.00	56,662	87.40		224	219.3	71	
	Total Qualifying revolving retail	32,014	106,821	87.74	125,739	0.99	17,065,780	91.51		24,551	19.5	1,111	1,562
7	Retail - SME												
	0.00 to < 0.15	584	4,464	102.78	5,172	0.06	253,024	99.38		884	17.1	3	
	0.15 to < 0.25	559	4,826	93.13	5,054	0.22	126,093	69.90		1,526	30.2	8	
	0.25 to < 0.50	410	1,499	104.79	1,981	0.30	135,133	99.20		1,035	52.3	6	
	0.50 to < 0.75	2,576	67	99.15	2,308	0.55	13,992	36.62		641	27.8	5	
	0.75 to < 2.50	6,559	2,913	95.24	8,367	1.17	221,751	59.97		5,344	63.9	57	
	2.50 to < 10.00	2,535	853	99.39	2,991	5.64	125,545	59.92		2,657	88.8	95	
	10.00 to < 100.00	563	193	97.61	667	29.48	33,014	70.37		916	137.3	135	
	100.00 (default)	272	42	12.02	86	100.00	6,584	66.10		117	135.5	55	
	Total Retail - SME	14,058	14,857	97.84	26,626	2.19	915,136	70.68		13,120	49.3	364	272
8	Other retail												
	0.00 to < 0.15	3,416	1,379	86.96	4,616	0.07	9,391	39.74		345	7.5	1	
	0.15 to < 0.25	2,892	5,428	89.36	7,742	0.19	30,380	85.46		2,580	33.3	13	
	0.25 to < 0.50	9,548	1	101.63	9,548	0.31	342,412	66.83		3,419	35.8	20	
	0.50 to < 0.75	4	13	89.63	16	0.65	111	94.26		13	78.1	-	
	0.75 to < 2.50	11,864	595	92.92	11,817	1.11	321,927	60.90		7,737	65.5	84	
	2.50 to < 10.00	2,282	52	91.69	2,232	4.26	92,835	68.25		2,195	98.3	64	
	10.00 to < 100.00	531	13	91.77	428	38.98	23,444	72.39		679	158.6	118	
	100.00 (default)	110	-	5.00	88	100.00	4,870	69.41		85	96.8	55	
	Total Other retail	30,647	7,481	89.22	36,487	1.45	825,370	65.61		17,053	46.7	355	494
9	Total retail	545,394	271,710	87.80	736,139	0.77	20,966,084	36.13		100,921	13.7	2,477	2,850
10	Total A-IRB	1,004,903	431,578	77.00	1,336,976	0.89	21,041,017	29.30	2.26	234,402	17.5	4,226	4,906

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. For Retail exposures, a borrower can appear in multiple PD bands if the borrower has more than one type of product with the bank. In addition, Retail obligors include borrowers where the portion of the exposure has been securitized given CAR guideline requirements related to retained interests. Wholesale obligors are reflected as unique borrowers. For example, sovereign obligors include central banks or agencies, public sector entities and multilateral development banks which are each reflected as unique borrowers in the sovereign asset class. Retail borrowers with both Visa and Mastercard are counted as one borrower in the asset class qualifying revolving retail.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.



CR6: A-IRB – Credit risk exposures by portfolio and PD range (continued)

As at April 30, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
	(Millions of Canadian dollars, except as otherwise noted)	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
Asset Classes													
1	Sovereigns												
	0.00 to < 0.15	257,285	33,759	68.34	345,763	0.02	1,053	12.96	2.50	11,109	3.2	9	
	0.15 to < 0.25	48	36	58.46	69	0.24	41	29.11	2.17	20	28.7	-	
	0.25 to < 0.50	436	47	55.45	463	0.46	246	19.12	2.67	135	29.1	-	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	55	9	60.77	61	1.53	30	26.28	2.59	37	61.4	-	
	2.50 to < 10.00	4	5	62.55	7	2.69	9	26.35	1.44	5	66.3	-	
	10.00 to < 100.00	-	-	65.24	-	29.31	4	40.00	1.20	-	208.7	-	
	100.00 (default)	39	-	-	39	100.00	7	45.00	2.50	-	0.2	35	
	Total Sovereigns	257,867	33,856	68.31	346,402	0.03	1,390	12.98	2.50	11,306	3.3	44	36
2	Corporates												
	0.00 to < 0.15	38,312	53,200	61.12	71,676	0.09	23,090	36.44	1.69	11,618	16.2	23	
	0.15 to < 0.25	17,360	12,201	57.85	24,489	0.24	9,266	34.75	1.86	7,175	29.3	20	
	0.25 to < 0.50	23,389	13,613	55.68	29,541	0.44	9,105	33.70	1.83	11,911	40.3	44	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	70,264	41,505	53.71	84,232	1.27	23,185	33.78	1.89	52,306	62.1	362	
	2.50 to < 10.00	15,145	9,007	54.49	17,117	4.20	10,153	35.45	1.94	15,984	93.4	256	
	10.00 to < 100.00	2,150	1,235	58.81	2,613	24.21	1,860	36.56	1.81	4,419	169.1	231	
	100.00 (default)	1,546	216	25.23	1,477	100.00	1,930	39.18	2.01	2,534	171.6	502	
	Total Corporates	168,166	130,977	57.36	231,145	1.79	78,589	34.88	1.82	105,947	45.8	1,438	1,669
3	Corporate – Specialised Lending												
	0.00 to < 0.15	3,425	3,001	55.10	4,976	0.10	63	38.33	2.77	1,344	27.0	2	
	0.15 to < 0.25	4,358	1,574	47.88	5,104	0.24	177	26.87	2.74	1,555	30.5	3	
	0.25 to < 0.50	6,791	597	51.95	7,131	0.46	331	25.47	2.19	2,458	34.5	8	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	9,218	3,615	50.26	10,534	1.23	287	28.07	2.20	6,149	58.4	36	
	2.50 to < 10.00	1,727	838	52.86	1,713	4.38	76	28.91	2.54	1,421	83.0	23	
	10.00 to < 100.00	59	26	40.00	6	18.42	1	25.00	1.11	5	95.9	-	
	100.00 (default)	1,006	29	39.36	1,018	100.00	74	34.94	1.97	2,065	202.9	191	
	Total Corporate – Specialised Lending	26,584	9,680	51.64	30,482	4.18	1,009	29.21	2.39	14,997	49.2	263	356
4	Total Wholesale	452,617	174,513	59.17	608,029	0.91	80,988	22.13	2.24	132,250	21.8	1,745	2,061

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. For Retail exposures, a borrower can appear in multiple PD bands if the borrower has more than one type of product with the bank. In addition, Retail obligors include borrowers where the portion of the exposure has been securitized given CAR guideline requirements related to retained interests. Wholesale obligors are reflected as unique borrowers. For example, sovereign obligors include central banks or agencies, public sector entities and multilateral development banks which are each reflected as unique borrowers in the sovereign asset class. Retail borrowers with both Visa and Mastercard are counted as one borrower in the asset class qualifying revolving retail.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.



CR6: A-IRB – Credit risk exposures by portfolio and PD range (continued)

As at April 30, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
(Millions of Canadian dollars, except as otherwise noted)	PD scale ¹	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
Asset Classes													
5	Retail - Residential mortgage exposures												
	0.00 to < 0.15	351,142	136,993	86.57	469,734	0.12	1,689,556	20.67		27,329	5.8	119	
	0.15 to < 0.25	13,729	52	100.00	8,282	0.15	89,355	16.06		437	5.3	2	
	0.25 to < 0.50	47,273	467	100.00	13,198	0.36	176,259	14.62		1,218	9.2	7	
	0.50 to < 0.75	668	-	-	668	0.51	2,296	22.09		117	17.5	1	
	0.75 to < 2.50	34,281	2,584	90.60	30,925	0.89	128,650	21.14		7,648	24.7	58	
	2.50 to < 10.00	11,715	463	90.65	9,162	4.07	55,797	20.28		5,269	57.5	75	
	10.00 to < 100.00	4,008	127	109.54	3,467	29.33	12,815	21.63		3,745	108.0	221	
	100.00 (default)	946	4	8.95	758	100.00	3,434	21.39		512	67.6	135	
	Total Retail - Residential mortgage exposures	463,762	140,690	86.72	536,194	0.57	2,158,162	20.48		46,275	8.6	618	492
5a	Of which: Retail - Insured exposure secured by real estate												
	0.00 to < 0.15	-	-	-	-	-	-	-		-	-	-	
	0.15 to < 0.25	13,603			8,104	0.15	89,271	15.03		399	4.9	2	
	0.25 to < 0.50	43,309			8,768	0.33	172,569	11.58		592	6.8	3	
	0.50 to < 0.75	-	-	-	-	-	-	-		-	-	-	
	0.75 to < 2.50	5,718			21	1.13	25,412	14.56		4	19.7	-	
	2.50 to < 10.00	2,978			4	4.31	16,322	14.41		2	42.5	-	
	10.00 to < 100.00	684			4	41.37	3,045	15.33		3	70.3	-	
	100.00 (default)	191			3	100.00	1,053	14.64		5	183.0	-	
	Total Retail – Insured exposure secured by real estate	66,483			16,904	0.27	307,672	13.24		1,005	5.9	5	9
5b	Of which: Retail - Uninsured mortgages												
	0.00 to < 0.15	317,630	717	100.00	318,347	0.14	816,396	18.98		18,656	5.9	83	
	0.15 to < 0.25	126	52	100.00	178	0.16	84	62.93		39	21.7	-	
	0.25 to < 0.50	3,759	254	100.00	4,012	0.41	3,141	19.98		545	13.6	3	
	0.50 to < 0.75	668	-	-	668	0.51	2,296	22.09		117	17.5	1	
	0.75 to < 2.50	26,075	420	100.00	26,494	0.91	63,352	20.23		6,398	24.1	49	
	2.50 to < 10.00	7,700	32	100.00	7,732	4.03	23,809	19.25		4,197	54.3	59	
	10.00 to < 100.00	2,922	-	-	2,922	29.26	6,644	20.83		3,047	104.3	179	
	100.00 (default)	615	-	-	615	100.00	1,489	20.29		437	71.0	101	
	Total Retail – Uninsured mortgages	359,495	1,475	100.00	360,968	0.69	917,211	19.13		33,436	9.3	475	368

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. For Retail exposures, a borrower can appear in multiple PD bands if the borrower has more than one type of product with the bank. In addition, Retail obligors include borrowers where the portion of the exposure has been securitized given CAR guideline requirements related to retained interests. Wholesale obligors are reflected as unique borrowers. For example, sovereign obligors include central banks or agencies, public sector entities and multilateral development banks which are each reflected as unique borrowers in the sovereign asset class. Retail borrowers with both Visa and Mastercard are counted as one borrower in the asset class qualifying revolving retail.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.



CR6: A-IRB – Credit risk exposures by portfolio and PD range (continued)

As at April 30, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
	(Millions of Canadian dollars, except as otherwise noted)	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
	PD scale ¹												
	Asset Classes												
5c	Of which: HELOCs												
	0.00 to < 0.15	33,512	136,275	86.50	151,387	0.10	873,160	24.21		8,673	5.7	36	
	0.15 to < 0.25	-	-	-	-	-	-	-		-	-	-	
	0.25 to < 0.50	205	213	100.00	418	0.34	585	27.21		81	19.3	-	
	0.50 to < 0.75	-	-	-	-	-	-	-		-	-	-	
	0.75 to < 2.50	2,488	2,165	88.78	4,410	0.77	39,894	26.65		1,246	28.2	9	
	2.50 to < 10.00	1,037	431	89.97	1,425	4.29	15,668	25.90		1,070	75.1	16	
	10.00 to < 100.00	402	127	109.54	542	29.65	3,126	25.97		696	128.3	41	
	100.00 (default)	139	4	8.95	140	100.00	892	26.40		70	50.3	35	
	Total HELOC	37,783	139,215	86.58	158,322	0.34	933,325	24.31		11,836	7.5	137	93
6	Qualifying revolving retail												
	0.00 to < 0.15	6,739	43,857	89.54	46,008	0.09	5,914,341	92.72		2,281	5.0	37	
	0.15 to < 0.25	9,542	41,669	84.96	44,943	0.18	2,109,679	90.12		3,892	8.7	71	
	0.25 to < 0.50	587	4,475	89.33	4,584	0.36	3,828,978	88.90		689	15.0	15	
	0.50 to < 0.75	2,503	6,149	89.10	7,981	0.60	1,114,607	93.90		1,941	24.3	45	
	0.75 to < 2.50	7,309	6,762	88.56	13,298	1.63	2,227,044	91.08		6,699	50.4	198	
	2.50 to < 10.00	3,228	1,966	91.77	5,033	4.43	1,184,807	91.89		5,027	99.9	204	
	10.00 to < 100.00	1,164	368	113.45	1,581	30.69	582,289	89.92		3,352	212.0	443	
	100.00 (default)	95	1	5.34	95	100.00	57,547	87.38		222	232.5	66	
	Total Qualifying revolving retail	31,167	105,247	87.75	123,523	0.98	17,019,292	91.46		24,103	19.5	1,079	1,513
7	Retail - SME												
	0.00 to < 0.15	560	4,303	102.80	4,984	0.06	246,630	99.30		854	17.1	3	
	0.15 to < 0.25	518	4,530	93.12	4,736	0.22	121,829	69.91		1,430	30.2	7	
	0.25 to < 0.50	401	1,493	104.73	1,964	0.30	132,903	99.15		1,029	52.4	6	
	0.50 to < 0.75	2,387	63	99.32	2,155	0.55	13,485	37.28		609	28.3	4	
	0.75 to < 2.50	6,347	2,971	95.16	8,289	1.17	221,619	60.64		5,356	64.6	57	
	2.50 to < 10.00	2,679	973	97.85	3,276	5.32	130,094	60.90		2,934	89.5	99	
	10.00 to < 100.00	268	48	113.04	257	40.75	22,487	75.43		418	162.6	80	
	100.00 (default)	260	33	12.14	100	100.00	5,690	72.27		108	107.5	69	
	Total Retail - SME	13,420	14,414	97.86	25,761	1.97	894,737	71.03		12,738	49.4	325	283
8	Other retail												
	0.00 to < 0.15	4,213	2,822	93.79	6,860	0.08	16,351	53.47		788	11.5	3	
	0.15 to < 0.25	2,179	3,882	85.26	5,489	0.17	23,027	85.74		1,736	31.6	8	
	0.25 to < 0.50	9,498	3	103.07	9,499	0.31	344,944	66.84		3,404	35.8	20	
	0.50 to < 0.75	190	182	99.36	371	0.55	1,298	84.94		238	64.2	2	
	0.75 to < 2.50	11,355	470	90.78	11,147	1.11	319,538	60.58		7,281	65.3	79	
	2.50 to < 10.00	2,252	37	88.42	2,183	4.28	94,259	68.14		2,145	98.3	62	
	10.00 to < 100.00	489	13	90.86	380	37.61	23,116	72.43		605	159.2	101	
	100.00 (default)	108	-	5.00	89	100.00	4,337	68.36		88	98.5	56	
	Total Other retail	30,284	7,409	89.24	36,018	1.38	826,870	65.56		16,285	45.2	331	497
9	Total retail	538,633	267,760	87.80	721,496	0.73	20,899,061	36.68		99,401	13.8	2,353	2,785
10	Total A-IRB	991,250	442,273	76.50	1,329,525	0.81	20,980,049	30.04	2.24	231,651	17.4	4,098	4,846

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. For Retail exposures, a borrower can appear in multiple PD bands if the borrower has more than one type of product with the bank. In addition, Retail obligors include borrowers where the portion of the exposure has been securitized given CAR guideline requirements related to retained interests. Wholesale obligors are reflected as unique borrowers. For example, sovereign obligors include central banks or agencies, public sector entities and multilateral development banks which are each reflected as unique borrowers in the sovereign asset class. Retail borrowers with both Visa and Mastercard are counted as one borrower in the asset class qualifying revolving retail.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.

In Q2 2024, our A-IRB credit risk exposures include acquired HSBC Canada assets with an EAD post CRM totaling \$105.5 billion with an associated RWA of \$27.9 billion. Of this, HSBC Canada acquired wholesale exposures with an EAD \$72.5 billion and RWA \$24.5 billion and retail exposures with an EAD \$33 billion and RWA of \$3.4 billion are included in the table above.



CR6: F-IRB – Credit risk exposures by portfolio and PD range

The following table provides the key parameters used for the calculation of capital requirements for credit risk exposures under the F-IRB approach adopted in Q2 2023, broken down by asset class and PD range. Only Banks and Large Corporates are currently required to follow the Foundation Approach under the CAR guidelines with all other IRB exposures allowed under A-IRB.

As at July 31, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
	(Millions of Canadian dollars, except as otherwise noted)	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
	PD scale ¹												
	Asset Classes												
1	Banks												
	0.00 to < 0.15	28,001	5,341	37.01	37,293	0.06	297	36.30	2.19	7,658	20.5	8	
	0.15 to < 0.25	79	90	34.13	144	0.24	15	63.63	2.55	106	73.2	-	
	0.25 to < 0.50	60	289	31.53	84	0.46	29	26.17	1.22	29	34.9	-	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	181	251	27.37	277	1.00	41	58.81	1.30	279	100.7	2	
	2.50 to < 10.00	-	46	18.82	9	7.75	9	45.06	0.20	14	151.3	-	
	10.00 to < 100.00	-	-	-	-	20.32	2	45.00	1.00	-	250.7	-	
	100.00 (default)	-	-	-	-	100.00	3	45.00	2.50	-	562.5	-	
	Total Banks	28,321	6,017	36.16	37,807	0.07	396	36.54	2.18	8,086	21.4	10	4
2	Corporates												
	0.00 to < 0.15	52,647	200,420	39.50	131,438	0.08	5,268	41.59	2.39	34,296	26.1	44	
	0.15 to < 0.25	13,475	22,021	36.48	20,342	0.24	939	40.77	2.58	10,134	49.8	20	
	0.25 to < 0.50	7,547	13,009	42.55	11,576	0.46	805	38.26	2.38	6,683	57.8	20	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	20,475	37,682	40.06	32,905	1.29	2,006	37.42	2.90	28,871	87.7	159	
	2.50 to < 10.00	3,714	10,042	41.34	6,644	4.32	1,170	33.07	2.58	6,997	105.3	95	
	10.00 to < 100.00	304	1,118	46.17	672	27.01	142	31.92	2.44	1,163	173.0	56	
	100.00 (default)	593	83	94.98	672	100.00	58	43.31	3.19	2,412	358.8	110	
	Total Corporates	98,755	284,375	39.59	204,249	0.87	10,388	40.34	2.50	90,556	44.4	504	331
3	Total F-IRB	127,076	290,392	39.52	242,056	0.74	10,784	39.75	2.45	98,642	40.8	514	335

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. Wholesale obligors are reflected as unique borrowers.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.



CR6: F-IRB – Credit risk exposures by portfolio and PD range (continued)

As at April 30, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
	(Millions of Canadian dollars, except as otherwise noted)	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors ²	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)	EL	Provisions ³
Asset Classes													
1	Banks												
	0.00 to < 0.15	27,282	6,428	47.88	37,000	0.06	294	37.81	2.20	7,865	21.3	8	
	0.15 to < 0.25	89	128	26.75	157	0.24	17	62.91	2.55	114	72.5	-	
	0.25 to < 0.50	30	349	29.06	72	0.46	32	23.02	1.03	20	27.8	-	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	159	236	27.81	252	0.99	41	58.82	1.27	249	98.7	1	
	2.50 to < 10.00	1	106	13.56	15	5.60	9	45.03	0.96	25	162.7	-	
	10.00 to < 100.00	-	-	-	-	20.42	2	45.00	1.00	-	250.8	-	
	100.00 (default)	-	-	-	-	100.00	3	45.00	2.50	-	562.5	-	
	Total Banks	27,561	7,247	45.45	37,496	0.07	398	38.03	2.19	8,273	22.1	11	4
2	Corporates												
	0.00 to < 0.15	42,357	177,640	39.46	112,202	0.08	3,890	41.03	2.46	29,012	25.9	38	
	0.15 to < 0.25	13,827	22,671	36.70	21,138	0.24	905	40.93	2.55	10,374	49.1	21	
	0.25 to < 0.50	10,979	13,442	42.31	15,182	0.46	769	37.30	3.03	9,335	61.8	26	
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
	0.75 to < 2.50	22,329	34,739	40.51	33,859	1.30	1,953	37.31	2.91	29,702	87.9	164	
	2.50 to < 10.00	3,585	8,525	41.34	5,976	4.24	1,403	32.88	2.44	6,141	102.8	84	
	10.00 to < 100.00	225	1,260	45.74	619	26.16	138	32.48	2.20	1,092	176.4	51	
	100.00 (default)	1,065	105	91.12	1,138	100.00	60	41.36	2.42	4,260	374.5	138	
	Total Corporates	94,367	258,382	39.62	190,114	1.16	9,118	39.78	2.59	89,916	47.3	524	351
3	Total F-IRB	121,928	265,629	39.76	227,610	0.98	9,516	39.47	2.52	98,189	43.1	535	355

¹ Refer to the "Internal ratings map" under the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Number of obligors is defined as the number of borrowers in each PD band. Wholesale obligors are reflected as unique borrowers.

³ Provisions reflect IFRS 9, Stage 1, 2 & 3 allowances under IRB portfolio.

In Q2 2024, our F-IRB credit risk exposures include acquired HSBC Canada assets post CRM totaling \$17.6 billion with an associated RWA of \$7.4 billion.

CR7: IRB – Effect on RWA of credit derivatives used as CRM techniques

The following table provides the effect of credit derivatives used as mitigation techniques in determining RWA amounts. Currently no credit derivatives are used for mitigation.

As at July 31, 2024

	(Millions of Canadian dollars)	a	b
		Pre-credit derivatives RWA	Actual RWA
1	Sovereign - F-IRB	-	-
2	Sovereign - A-IRB	-	-
3	Banks - F-IRB	-	-
4	Banks - A-IRB	-	-
5	Other securities firms treated as Bank - F-IRB	-	-
6	Other securities firms treated as Bank - A-IRB	-	-
7	Corporate - F-IRB	-	-
8	Corporate - A-IRB	-	-
9	Other securities firms treated as Corporate - F-IRB	-	-
10	Other securities firms treated as Corporate - A-IRB	-	-
11	Specialised lending - F-IRB	-	-
12	Specialised lending - A-IRB	-	-
13	Retail - qualifying revolving (QRRE)	-	-
14	Retail - residential mortgage exposures	-	-
15	Retail - SME	-	-
16	Other retail exposures	-	-
17	Equity - F-IRB	-	-
18	Equity - A-IRB	-	-
19	Purchased receivables - F-IRB	-	-
20	Purchased receivables - A-IRB	-	-
21	Total	-	-

As at April 30, 2024

	(Millions of Canadian dollars)	a	b
		Pre-credit derivatives RWA	Actual RWA
1	Sovereign - F-IRB	-	-
2	Sovereign - A-IRB	-	-
3	Banks - F-IRB	-	-
4	Banks - A-IRB	-	-
5	Other securities firms treated as Bank - F-IRB	-	-
6	Other securities firms treated as Bank - A-IRB	-	-
7	Corporate - F-IRB	-	-
8	Corporate - A-IRB	-	-
9	Other securities firms treated as Corporate - F-IRB	-	-
10	Other securities firms treated as Corporate - A-IRB	-	-
11	Specialised lending - F-IRB	-	-
12	Specialised lending - A-IRB	-	-
13	Retail - qualifying revolving (QRRE)	-	-
14	Retail - residential mortgage exposures	-	-
15	Retail - SME	-	-
16	Other retail exposures	-	-
17	Equity - F-IRB	-	-
18	Equity - A-IRB	-	-
19	Purchased receivables - F-IRB	-	-
20	Purchased receivables - A-IRB	-	-
21	Total	-	-



CR8: RWA flow statements of credit risk exposures

The following table presents the changes in Standardized and IRB RWA amounts over the reporting period for the key drivers of credit risk.

		RWA amounts ¹	
(Millions of Canadian dollars)		As at July 31, 2024	As at April 30, 2024
1	RWA as at end of previous reporting period	489,986	437,277
2	Asset size ²	3,601	6,399
3	Asset quality ³	3,207	3,416
4	Model updates ⁴	780	-
5	Methodology and policy ⁵	-	-
6	Acquisitions and disposals	-	39,161
7	Foreign exchange movements	1,313	3,833
8	Other ⁶	370	(100)
9	RWA as at end of reporting period	499,257	489,986

¹ RWA flow amounts include both IRB and Standardized Approach figures reflecting our approved roll-out plan for transition to IRB.

² Organic changes in portfolio size and composition (including new business and maturing loans).

³ Quality of book changes caused by experience such as underlying customer behaviour or demographics and credit mitigation.

⁴ Updates to the model to reflect recent experience, model implementation, change in model scope or any change to address model malfunctions including changes through model calibrations/realignments.

⁵ Methodology changes to the calculations driven by regulatory policy changes.

⁶ Other includes the impact of credit card securitization.

COUNTERPARTY CREDIT RISK
CCRA: Qualitative disclosure related to counterparty credit risk

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement		RBC 2023 Annual Report section	Sub-section
a)	Risk management objectives and policies related to counterparty credit risk	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>
		Consolidated Financial Statements	Note 9 - Derivative financial instruments and hedging activities – <i>Derivative-related credit risk</i>
b)	The method used to assign the operating limits defined in terms of internal capital for counterparty credit exposures and for CCP exposures	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>
c)	Policies relating to guarantees and other risk mitigants and assessments concerning counterparty credit risk, including exposures towards CCPs	Credit risk	Credit risk assessment – <i>Counterparty credit risk</i>
		Consolidated Financial Statements	Note 9 - Derivative financial instruments and hedging activities – <i>Derivative-related credit risk</i> Note 30 - Offsetting financial assets and financial liabilities
d)	Policies with respect to wrong-way risk exposures	Credit risk	Credit risk assessment – <i>Wrong-way risk</i>
e)	The impact in terms of the amount of collateral that the bank would be required to provide given a credit rating downgrade	Liquidity and funding risk	Credit ratings

CCR1: Analysis of counterparty credit risk (CCR) exposure by approach

The following table provides a comprehensive view of the methods used to calculate counterparty credit risk exposures and the main parameters used within each method, if applicable. Refer to CCR 8 for our central counterparty clearing house exposures. Figures below reflect both house and client trades. In Q1 2024 our adoption of the Basic Standardized Approach under the Basel III reforms CVA risk framework resulted in changes to SA-CCR RWA as included in our figures below.

As at July 31, 2024

		a	b	c	d	e	f
		Replacement Cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
	(Millions of Canadian dollars, except as otherwise noted)						
1	SA-CCR (for derivatives)	17,274	44,711		1.4	86,453	16,360
2	Internal Model Method (for derivatives and SFTs)						
3	Simple Approach for credit risk mitigation (for SFTs)						
4	Comprehensive Approach for credit risk mitigation (for SFTs)					189,593	8,095
5	Value-at-Risk (VaR) for SFTs						
6	Total						24,455

As at April 30, 2024

		a	b	c	d	e	f
		Replacement Cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
	(Millions of Canadian dollars, except as otherwise noted)						
1	SA-CCR (for derivatives)	18,927	41,914		1.4	84,904	16,339
2	Internal Model Method (for derivatives and SFTs)						
3	Simple Approach for credit risk mitigation (for SFTs)						
4	Comprehensive Approach for credit risk mitigation (for SFTs)					169,173	8,352
5	Value-at-Risk (VaR) for SFTs						
6	Total						24,691



CCR3: Standardized approach – CCR exposures by regulatory portfolio and risk weights

The following table presents a breakdown of counterparty credit risk exposures calculated according to the standardized approach by portfolio and risk weight.

As at July 31, 2024

	a	b	c	d	e	f	g	h	i	j	k	l	m	n
Risk weight	0%	10%	20%	30%	40%	50%	75%	80%	85%	100%	130%	150%	Others	Total credit exposure
Regulatory portfolio (Millions of Canadian dollars)														
Sovereigns	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Banks	-	-	7	6	-	-	-	-	-	69	-	-	-	83
Securities firms and other financial institutions treated as Banks	-	-	-	-	-	-	-	-	-	154	-	-	-	154
Corporates	-	-	41	-	-	4	-	-	81	848	-	-	-	975
Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securities firms and other financial institutions treated as Corporate	-	-	9	-	-	-	-	-	-	68	-	-	-	78
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	57	6	-	4	-	-	81	1,139	-	-	-	1,290



CCR3: Standardized approach – CCR exposures by regulatory portfolio and risk weights (continued)

As at April 30, 2024

Risk weight Regulatory portfolio (Millions of Canadian dollars)	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	0%	10%	20%	30%	40%	50%	75%	80%	85%	100%	130%	150%	Others	Total credit exposure
Sovereigns	1	-	-	-	-	-	-	-	-	-	-	-	-	1
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Banks	-	-	4	11	-	-	-	-	-	20	-	-	-	35
Securities firms and other financial institutions treated as Banks	-	-	-	-	-	-	-	-	-	97	-	-	-	97
Corporates	-	-	35	-	-	4	-	-	51	1,450	-	-	-	1,540
Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securities firms and other financial institutions treated as Corporate	-	-	-	-	-	-	-	-	-	36	-	-	-	36
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1	-	39	11	-	4	-	-	51	1,603	-	-	-	1,709

CCR4: A-IRB – CCR exposures by portfolio and PD scale

The following table presents a detailed view of CCR exposures subject to A-IRB approach by asset classes and PD scale.

As at July 31, 2024

(Millions of Canadian dollars, except as otherwise noted)	PD scale ¹	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)
Asset classes								
Sovereigns	0.00 to < 0.15	44,961	0.04	418	9.68	1.14	731	1.6
	0.15 to < 0.25	73	0.24	15	39.53	1.17	22	29.6
	0.25 to < 0.50	35	0.46	7	17.22	0.43	5	15.6
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	45	1.29	3	40.00	1.00	32	72.3
	2.50 to < 10.00	-	-	-	-	-	-	-
	10.00 to < 100.00	-	-	-	-	-	-	-
	100.00 (default)	-	-	-	-	-	-	-
Total sovereigns		45,114	0.05	443	9.76	1.14	791	1.8
Corporates								
	0.00 to < 0.15	2,645	0.08	709	23.68	1.77	185	7.0
	0.15 to < 0.25	313	0.24	244	34.72	3.52	77	24.4
	0.25 to < 0.50	367	0.46	224	42.74	2.37	169	46.0
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	1,195	1.45	576	37.40	2.13	802	67.1
	2.50 to < 10.00	251	4.37	161	42.91	2.58	295	117.7
	10.00 to < 100.00	2	27.34	10	41.29	1.64	5	200.1
	100.00 (default)	15	100.00	9	37.90	1.74	73	473.7
Total corporates		4,789	1.02	1,933	30.35	2.06	1,605	33.5
Total		49,903	0.14	2,376	11.74	1.23	2,396	4.8

¹ Refer to the "Internal ratings map" in the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

CCR4: A-IRB – CCR exposures by portfolio and PD scale (continued)

As at April 30, 2024

(Millions of Canadian dollars, except as otherwise noted)	PD scale ¹	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)
Asset classes								
Sovereigns	0.00 to < 0.15	33,181	0.04	402	11.82	1.60	661	2.0
	0.15 to < 0.25	37	0.24	13	35.20	1.16	10	26.4
	0.25 to < 0.50	36	0.46	5	10.35	0.15	3	9.0
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	24	1.29	3	40.00	1.00	17	72.3
	2.50 to < 10.00	-	-	-	-	-	-	-
	10.00 to < 100.00	-	-	-	-	-	-	-
	100.00 (default)	27	100.00	1	15.00	1.00	50	187.5
Total sovereigns		33,306	0.13	424	11.86	1.60	741	2.2
Corporates								
	0.00 to < 0.15	3,989	0.09	934	32.76	1.93	461	11.6
	0.15 to < 0.25	369	0.24	254	37.79	2.35	101	27.3
	0.25 to < 0.50	323	0.46	247	42.90	1.75	149	46.1
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	1,122	1.55	583	37.26	2.03	794	70.8
	2.50 to < 10.00	266	4.72	174	45.19	2.90	340	127.7
	10.00 to < 100.00	11	30.51	12	40.12	1.04	22	206.9
	100.00 (default)	6	100.00	3	40.00	1.00	28	500.0
Total corporates		6,086	0.73	2,207	35.00	2.01	1,895	31.1
Total²		39,392	0.22	2,631	15.44	1.66	2,636	6.7

¹ Refer to the "Internal ratings map" in the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Our A-IRB CCR exposures include HSBC Canada acquired exposures with an EAD of \$201 million and RWA of \$98 million.



CCR4: F-IRB – CCR exposures by portfolio and PD scale

The following table presents a detailed view of CCR exposures subject to F-IRB approach adopted Q2 2023 by asset classes and PD scale. Only Banks and Large Corporates are currently required to follow the Foundation Approach under the CAR guidelines with all other IRB exposures allowed under A-IRB.

As at July 31, 2024

(Millions of Canadian dollars, except as otherwise noted)	PD scale ¹	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)
Asset classes								
Banks								
	0.00 to < 0.15	111,296	0.06	278	12.35	0.73	4,978	4.5
	0.15 to < 0.25	280	0.24	24	29.33	1.31	68	24.4
	0.25 to < 0.50	2,074	0.46	23	4.00	0.54	91	4.4
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	314	1.29	26	15.99	0.66	95	30.1
	2.50 to < 10.00	1	3.09	2	45.00	0.46	1	98.6
	10.00 to < 100.00	-	-	-	-	-	-	-
	100.00 (default)	-	-	-	-	-	-	-
Total banks		113,965	0.08	353	12.25	0.72	5,233	4.6
Corporates								
	0.00 to < 0.15	103,132	0.06	7,276	38.54	0.77	11,052	10.7
	0.15 to < 0.25	2,176	0.24	358	42.06	1.37	767	35.3
	0.25 to < 0.50	1,812	0.46	154	34.45	1.17	780	43.0
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	3,314	1.18	235	41.79	1.23	2,492	75.2
	2.50 to < 10.00	449	3.66	83	40.47	1.12	490	109.0
	10.00 to < 100.00	1	31.52	1	40.00	1.00	3	209.9
	100.00 (default)	3	100.00	2	45.00	3.33	18	562.5
Total corporates		110,887	0.12	8,109	38.65	0.80	15,602	14.1
Total		224,852	0.10	8,462	25.27	0.76	20,835	9.3

¹ Refer to the "Internal ratings map" in the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

CCR4: F-IRB – CCR exposures by portfolio and PD scale (continued)

As at April 30, 2024

(Millions of Canadian dollars, except as otherwise noted)	PD scale ¹	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (in years)	RWA	RWA density (%)
Asset classes								
Banks								
	0.00 to < 0.15	102,838	0.07	286	12.87	0.76	4,814	4.7
	0.15 to < 0.25	208	0.24	26	29.82	1.10	54	25.8
	0.25 to < 0.50	2,496	0.46	20	3.05	0.56	83	3.3
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	296	1.16	30	22.13	0.69	119	40.1
	2.50 to < 10.00	11	2.65	2	45.00	0.05	11	93.0
	10.00 to < 100.00	-	-	-	-	-	-	-
	100.00 (default)	-	-	-	-	-	-	-
Total banks		105,849	0.08	364	12.70	0.75	5,081	4.8
Corporates								
	0.00 to < 0.15	99,206	0.06	6,700	37.85	0.79	10,411	10.5
	0.15 to < 0.25	2,318	0.24	364	42.04	1.34	822	35.4
	0.25 to < 0.50	1,710	0.46	146	43.07	1.32	943	55.1
	0.50 to < 0.75	-	-	-	-	-	-	-
	0.75 to < 2.50	3,510	1.22	221	41.49	1.11	2,691	76.7
	2.50 to < 10.00	377	3.60	76	42.43	0.91	431	114.3
	10.00 to < 100.00	3	18.42	3	42.37	2.41	5	195.0
	100.00 (default)	2	100.00	2	40.11	1.00	12	501.4
Total corporates		107,126	0.13	7,512	38.16	0.82	15,315	14.3
Total²		212,975	0.10	7,876	25.51	0.79	20,396	9.6

¹ Refer to the "Internal ratings map" in the Credit risk assessment subsection of the Risk management section in our 2023 Annual Report.

² Our F-IRB CCR exposures include HSBC Canada acquired exposures with an EAD of \$669 million and RWA of \$256 million.

CCR5: Composition of collateral for CCR exposure

The following table presents a breakdown of collateral posted or received to support or reduce the CCR exposures related to derivative transactions or securities financing transactions (SFTs), including transactions cleared through a central counterparty clearing house (CCP).

As at July 31, 2024

(Millions of Canadian dollars)	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	682	2,403	722	4,455	55,468	77,497
Cash - other currencies	5,336	16,172	11,508	17,227	393,060	394,877
Domestic sovereign debt	1,467	1,903	2,442	1,617	131,165	151,026
Other sovereign debt	5,165	2,808	7,553	3,974	315,590	294,563
Government agency debt	407	53	234	2,071	116,122	135,491
Corporate bonds	2,607	674	2,529	-	40,237	52,278
Equity securities	2,316	-	3,301	5,062	111,569	176,165
Other collateral	-	30	-	-	30,919	13,335
Total	17,980	24,043	28,289	34,406	1,194,130	1,295,232

As at April 30, 2024

(Millions of Canadian dollars)	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	102	2,085	131	3,238	43,148	60,399
Cash - other currencies	4,761	17,316	11,242	18,354	363,915	369,570
Domestic sovereign debt	914	2,003	2,479	1,204	109,789	126,933
Other sovereign debt	5,104	2,385	6,741	3,266	309,568	291,430
Government agency debt	343	41	172	1,546	86,814	103,629
Corporate bonds	2,910	1,028	2,811	1	43,552	54,468
Equity securities	1,995	-	1,775	3,877	103,995	172,547
Other collateral	1	52	64	-	28,366	11,128
Total	16,130	24,910	25,415	31,486	1,089,147	1,190,104

CCR6: Credit derivatives exposures

The following table presents credit derivatives bought or sold by notional and fair values.

As at July 31, 2024

(Millions of Canadian dollars)	a	b
	Protection bought	Protection sold
Notionals		
Single-name credit default swaps	11,663	16,732
Index credit default swaps	38,659	21,560
Total return swaps	-	-
Credit options	44,266	46,990
Other credit derivatives	-	-
Total notionals	94,588	85,282
Fair values		
Positive fair value (asset)	79	138
Negative fair value (liability)	173	66

As at April 30, 2024

(Millions of Canadian dollars)	a	b
	Protection bought	Protection sold
Notionals		
Single-name credit default swaps	15,368	20,294
Index credit default swaps	37,198	28,514
Total return swaps	-	-
Credit options	40,116	44,056
Other credit derivatives	-	-
Total notionals	92,682	92,864
Fair values		
Positive fair value (asset)	101	141
Negative fair value (liability)	127	82

CCR8: Exposures to central counterparties

The following table presents a comprehensive view of our exposures to central counterparty clearing houses (CCPs), including due to operations, margins and contributions to default funds, and related RWA.

As at July 31, 2024

(Millions of Canadian dollars)		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	44,413	594
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	25,593	557
3	(i) OTC derivatives	7,816	192
4	(ii) Exchange-traded derivatives	14,009	280
5	(iii) Securities financing transactions	3,768	85
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	6,691	
8	Non-segregated initial margin ¹	2,518	-
9	Pre-funded default fund contributions	1,688	37
9a	Unfunded default fund contributions ²	7,923	-
10	Exposures to non-QCCPs (total)		
11	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
12	(i) OTC derivatives		
13	(ii) Exchange-traded derivatives		
14	(iii) Securities financing transactions		
15	(iv) Netting sets where cross-product netting has been approved		
16	Segregated initial margin		
17	Non-segregated initial margin		

¹ Non-segregated initial margin pertaining to QCCPs is already embedded in the total trade exposure.

² Unfunded default fund contributions are risk weighted at 0%.



CCR8: Exposures to central counterparties (continued)

As at April 30, 2024

(Millions of Canadian dollars)		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	57,616	978
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	39,959	936
3	(i) OTC derivatives	11,913	354
4	(ii) Exchange-traded derivatives	24,173	483
5	(iii) Securities financing transactions	3,873	99
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	6,283	
8	Non-segregated initial margin ¹	1,838	-
9	Pre-funded default fund contributions	1,724	42
9a	Unfunded default fund contributions ²	7,812	-
10	Exposures to non-QCCPs (total)		
11	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
12	(i) OTC derivatives		
13	(ii) Exchange-traded derivatives		
14	(iii) Securities financing transactions		
15	(iv) Netting sets where cross-product netting has been approved		
16	Segregated initial margin		
17	Non-segregated initial margin		

¹ Non-segregated initial margin pertaining to QCCPs is already embedded in the total trade exposure.

² Unfunded default fund contributions are risk weighted at 0%.



CREDIT VALUATION ADJUSTMENT RISK

CVA2: The full basic approach for CVA (BA-CVA)

This table provides the components used for the computation of capital requirements under the full BA-CVA for CVA risk which was effective for us in Q1 2024.

As at July 31, 2024

		a
		Capital requirements & RWA under BA-CVA
	(Millions of Canadian dollars)	
1	K Reduced	2,368
2	K Hedged	1,865
3	Total CVA capital ¹	1,294
4	Total CVA RWA (row 3 x 12.5)	16,176

¹ Total CVA capital is determined based on the prescribed formula in the CAR guideline.

As at April 30, 2024

		a
		Capital requirements & RWA under BA-CVA
	(Millions of Canadian dollars)	
1	K Reduced	2,303
2	K Hedged	1,813
3	Total CVA capital ¹	1,258
4	Total CVA RWA (row 3 x 12.5)	15,725

¹ Total CVA capital is determined based on the prescribed formula in the CAR guideline.

SECURITIZATION
SECA: Qualitative disclosure requirements related to securitization exposures

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement		RBC 2023 Annual Report section	Sub-section
a)	Objectives in relation to securitization activities	Off-balance sheet arrangements	Off-balance sheet arrangements
		Consolidated Financial Statements	Note 7 - Derecognition of financial assets
		Consolidated Financial Statements	Note 8 - Structured entities
b)	List of SPEs where RBC is sponsor / provides implicit support	Consolidated Financial Statements	Note 8 - Structured entities
c)	Accounting policies for securitization	Consolidated Financial Statements	Note 2 - Summary of significant accounting policies, estimates and judgments - - <i>Basis of consolidation</i> - <i>Derecognition of financial assets</i>
		Critical accounting policies and estimates	Consolidation of structured entities
d)	The names of external credit assessment institution (ECAIs) used for securitizations and the types of securitization exposure for which each agency is used	Capital management (also refer to CRD in this document)	Regulatory capital approach for securitization exposures
e)	Use of Basel IAA for capital purposes	Credit risk	n/a
		Capital management	Regulatory capital approach for securitization exposures
f)	Use of other internal assessment for capital purposes	Credit risk	Credit risk assessment

SEC1: IRB – Securitization exposures in the banking book

The following table presents the breakdown of our balance sheet banking book carrying values by our role and type.

As at July 31, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
		Bank acts as originator ¹				Bank acts as sponsor ²				Bank acts as investor ³			
		Traditional	Of which simple, transparent and comparable (STC)	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total
(Millions of Canadian dollars)													
1	Retail (total)	51	-	-	51	40,389	35,399	-	40,389	549	-	-	549
	- of which												
2	residential mortgage	-	-	-	-	3,666	2,710		3,666	1	-		1
3	credit card	51	-	-	51	5,248	4,211		5,248	-	-		-
4	other retail exposures					31,475	28,478		31,475	548	-		548
4a	of which student loans					2,489	2,489		2,489	541			541
4b	of which auto loans and leases					20,136	19,157		20,136	7			7
4c	of which consumer loans					8,850	6,830		8,850	-			-
4d	of which other retail					-	-		-	-			-
5	re-securitization					-	-		-	-			-
6	Wholesale (total)			1,195	1,195	22,137	15,314		22,137	11,755	69		11,755
	- of which												
7	loans to corporates			1,195	1,195	3,527	-		3,527	8,964	-		8,964
8	commercial mortgage					-	-		-	2,125	-		2,125
9	lease and receivables					-	-		-	-	-		-
10	other wholesale					18,610	15,314		18,610	666	69		666
10a	of which dealer floor plan receivable					1,809	1,663		1,809	-	-		-
10b	of which equipment receivable					3,901	3,762		3,901	-	-		-
10c	of which trade receivable					572	572		572	-	-		-
10d	of which other wholesale					12,328	9,317		12,328	666	69		666
11	re-securitization												

¹ Bank acts as originator reflects securitization activities in which we securitize our own assets (e.g. Golden credit card securitization).

² Bank acts as sponsor reflects securitization activities in which RBC works with its client to originate securitization transactions. RBC provides the liquidity and credit enhancement facilities to the SPE.

³ Bank acts as investor reflects purchases of securitization assets from the market.



SEC1: IRB – Securitization exposures in the banking book (continued)

As at April 30, 2024

		a	b	c	d	e	f	g	h	i	j	k	l
		Bank acts as originator ¹				Bank acts as sponsor ²				Bank acts as investor ³			
		Traditional	Of which simple, transparent and comparable (STC)	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total
(Millions of Canadian dollars)													
1	Retail (total) – of which	51	-	-	51	39,174	34,369	-	39,174	587	-	-	587
2	residential mortgage	-	-	-	-	3,537	2,589	-	3,537	1	-	-	1
3	credit card	51	-	-	51	5,279	4,216	-	5,279	-	-	-	-
4	other retail exposures					30,358	27,564		30,358	586	-	-	586
4a	of which student loans					2,856	2,856		2,856	574			574
4b	of which auto loans and leases					19,029	18,275		19,029	12			12
4c	of which consumer loans					8,472	6,431		8,472	-			-
4d	of which other retail					1	-		1	-			-
5	re-securitization					-	-		-	-			-
6	Wholesale (total) – of which			1,176	1,176	19,993	13,430		19,993	11,455	71		11,455
7	loans to corporates			1,176	1,176	3,340	-		3,340	9,420	-		9,420
8	commercial mortgage					-	-		-	1,273	-		1,273
9	lease and receivables					-	-		-	-	-		-
10	other wholesale					16,653	13,430		16,653	762	71		762
10a	of which dealer floor plan receivable					1,770	1,627		1,770	-	-		-
10b	of which equipment receivable					3,635	3,498		3,635	-	-		-
10c	of which trade receivable					214	214		214	-	-		-
10d	of which other wholesale					11,034	8,091		11,034	762	71		762
11	re-securitization												

¹ Bank acts as originator reflects securitization activities in which we securitize our own assets (e.g. Golden credit card securitization).

² Bank acts as sponsor reflects securitization activities in which RBC works with its client to originate securitization transactions. RBC provides the liquidity and credit enhancement facilities to the SPE.

³ Bank acts as investor reflects purchases of securitization assets from the market.



SEC2: IRB – Securitization exposures in the trading book

The following table presents the breakdown of our balance sheet trading book carrying values by our role and type.

As at July 31, 2024

	(Millions of Canadian dollars)	a	b	c	d	e	f	g	h	i	j	k	l
		Bank acts as originator ¹				Bank acts as sponsor ²				Bank acts as investor ³			
		Traditional	Of which STC	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total
1	Retail (total)	-	-	-	-	-	-	-	-	594	-	-	594
	- of which												
2	residential mortgages	-	-	-	-	-	-	-	-	3	-	-	3
3	credit cards	-	-	-	-	-	-	-	-	117	-	-	117
4	other retail exposures	-	-	-	-	-	-	-	-	474	-	-	474
4a	of which student loans	-	-	-	-	-	-	-	-	6	-	-	6
4b	of which auto loans and leases	-	-	-	-	-	-	-	-	223	-	-	223
4c	of which consumer loans	-	-	-	-	-	-	-	-	167	-	-	167
4d	of which other retail	-	-	-	-	-	-	-	-	78	-	-	78
5	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale (total)	-	-	-	-	-	-	-	-	1,020	-	-	1,020
	- of which												
7	loans to corporates	-	-	-	-	-	-	-	-	262	-	-	262
8	commercial mortgages	-	-	-	-	-	-	-	-	14	-	-	14
9	leases and receivables	-	-	-	-	-	-	-	-	-	-	-	-
10	other wholesale exposures	-	-	-	-	-	-	-	-	744	-	-	744
10a	of which dealer floor plan receivables	-	-	-	-	-	-	-	-	-	-	-	-
10b	of which equipment receivables	-	-	-	-	-	-	-	-	-	-	-	-
10c	of which trade receivables	-	-	-	-	-	-	-	-	-	-	-	-
10d	of which other wholesale	-	-	-	-	-	-	-	-	744	-	-	744
11	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-

¹ Bank acts as originator reflects securitization activities in which we securitize our own assets.

² Bank acts as sponsor reflects securitization activities in which RBC works with its client to originate securitization transactions. RBC provides the liquidity and credit enhancement facilities to the SPE.

³ Bank acts as investor reflects purchases of securitization assets from the market.



SEC2: IRB – Securitization exposures in the trading book (continued)

As at April 30, 2024

	(Millions of Canadian dollars)	a	b	c	d	e	f	g	h	i	j	k	l
		Bank acts as originator ¹				Bank acts as sponsor ²				Bank acts as investor ³			
		Traditional	Of which STC	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total	Traditional	Of which STC	Synthetic	Sub-total
1	Retail (total)	-	-	-	-	-	-	-	-	421	-	-	421
	- of which												
2	residential mortgages	-	-	-	-	-	-	-	-	5	-	-	5
3	credit cards	-	-	-	-	-	-	-	-	152	-	-	152
4	other retail exposures	-	-	-	-	-	-	-	-	264	-	-	264
4a	of which student loans	-	-	-	-	-	-	-	-	4	-	-	4
4b	of which auto loans and leases	-	-	-	-	-	-	-	-	227	-	-	227
4c	of which consumer loans	-	-	-	-	-	-	-	-	33	-	-	33
4d	of which other retail	-	-	-	-	-	-	-	-	-	-	-	-
5	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale (total)	-	-	-	-	-	-	-	-	1,247	-	-	1,247
	- of which												
7	loans to corporates	-	-	-	-	-	-	-	-	237	-	-	237
8	commercial mortgages	-	-	-	-	-	-	-	-	7	-	-	7
9	leases and receivables	-	-	-	-	-	-	-	-	-	-	-	-
10	other wholesale exposures	-	-	-	-	-	-	-	-	1,003	-	-	1,003
10a	of which dealer floor plan receivables	-	-	-	-	-	-	-	-	-	-	-	-
10b	of which equipment receivables	-	-	-	-	-	-	-	-	1	-	-	1
10c	of which trade receivables	-	-	-	-	-	-	-	-	-	-	-	-
10d	of which other wholesale	-	-	-	-	-	-	-	-	1,002	-	-	1,002
11	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-

¹ Bank acts as originator reflects securitization activities in which we securitize our own assets.

² Bank acts as sponsor reflects securitization activities in which RBC works with its client to originate securitization transactions. RBC provides the liquidity and credit enhancement facilities to the SPE.

³ Bank acts as investor reflects purchases of securitization assets from the market.



SEC3: Securitization exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor

The following table presents a breakdown of securitization exposures in the banking book by risk weight and by regulatory approach when we act as originator or sponsor, and the associated capital requirements.

As at July 31, 2024

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	
	Exposure values (by RW bands)					Exposure values (by regulatory approach)					RWA (by regulatory approach)				Capital charge after cap (by regulatory approach)			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	
(Millions of Canadian dollars)																		
1 Total exposures	58,469	3,959	672	450	222	1,246	48,076	14,450	-	359	9,915	2,299	-	29	793	183	-	
2 Traditional securitization	57,274	3,959	672	450	222	51	48,076	14,450	-	180	9,915	2,299	-	14	793	183	-	
3 Of which: securitization	57,274	3,959	672	450	222	51	48,076	14,450	-	180	9,915	2,299	-	14	793	183	-	
4 Of which: retail underlying	38,584	1,348	217	292	-	51	34,753	5,636	-	180	4,670	710	-	14	374	57	-	
5 Of which: STC	35,131	143	104	72	-	51	31,592	3,808	-	180	3,687	417	-	14	295	33	-	
6 Of which: wholesale	18,690	2,611	455	158	222	-	13,323	8,814	-	-	5,244	1,589	-	-	420	127	-	
7 Of which: STC	14,014	770	175	131	222	-	11,622	3,690	-	-	4,558	442	-	-	365	34	-	
8 Of which: re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9 Synthetic securitization	1,195	-	-	-	-	1,195	-	-	-	179	-	-	-	14	-	-	-	
10 Of which: securitization	1,195	-	-	-	-	1,195	-	-	-	179	-	-	-	14	-	-	-	
11 Of which: retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12 Of which: wholesale	1,195	-	-	-	-	1,195	-	-	-	179	-	-	-	14	-	-	-	
13 Of which: re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

¹SEC-IRBA exposures reflect exposures where we have underlying IRB approval currently.



As at April 30, 2024

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q																	
																		Exposure values (by RW bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap (by regulatory approach)			
																		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%
(Millions of Canadian dollars)																																		
1 Total exposures	54,996	4,242	478	425	253	1,227	46,341	12,823	3	370	9,931	2,101	32	30	794	168	3																	
2 Traditional securitization	53,820	4,242	478	425	253	51	46,341	12,823	3	194	9,931	2,101	32	16	794	168	3																	
3 Of which: securitization	53,820	4,242	478	425	253	51	46,341	12,823	3	194	9,931	2,101	32	16	794	168	3																	
4 Of which: retail underlying	37,090	1,610	238	284	3	51	33,880	5,294	3	194	4,574	717	32	16	366	57	3																	
5 Of which: STC	33,829	443	75	73	-	51	30,832	3,538	-	194	3,602	403	-	16	288	32	-																	
6 Of which: wholesale	16,730	2,632	240	141	250	-	12,461	7,529	-	-	5,357	1,384	-	-	429	111	-																	
7 Of which: STC	11,917	928	220	114	250	-	10,977	2,453	-	-	4,856	303	-	-	388	24	-																	
8 Of which: re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
9 Synthetic securitization	1,176	-	-	-	-	1,176	-	-	-	176	-	-	-	14	-	-	-																	
10 Of which: securitization	1,176	-	-	-	-	1,176	-	-	-	176	-	-	-	14	-	-	-																	
11 Of which: retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
12 Of which: wholesale	1,176	-	-	-	-	1,176	-	-	-	176	-	-	-	14	-	-	-																	
13 Of which: re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	

¹SEC-IRBA exposures reflect exposures where we have underlying IRB approval currently.



SEC4: Securitization exposures in the banking book and associated capital requirements – bank acting as investor

The following table presents a breakdown of securitization exposures in the banking book by risk weight and by regulatory approach when we act as investor, and the associated capital requirements.

As at July 31, 2024

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by RW bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap (by regulatory approach)			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%
(Millions of Canadian dollars)																	
1 Total exposures	11,620	568	12	37	67	-	12,237	-	67	-	2,652	-	832	-	213	-	67
2 Traditional securitization	11,620	568	12	37	67	-	12,237	-	67	-	2,652	-	832	-	213	-	67
3 Of which: securitization	11,620	568	12	37	67	-	12,237	-	67	-	2,652	-	832	-	213	-	67
4 Of which: retail underlying	335	210	4	-	-	-	548	-	-	-	133	-	-	-	11	-	-
5 Of which: STC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Of which: wholesale	11,285	358	8	37	67	-	11,689	-	67	-	2,519	-	832	-	202	-	67
7 Of which: STC	69	-	-	-	-	-	69	-	-	-	7	-	-	-	1	-	-
8 Of which: re-securitization																	
9 Synthetic securitization																	
10 Of which: securitization																	
11 Of which: retail underlying																	
12 Of which: wholesale																	
13 Of which: re-securitization																	

¹ SEC-IRBA exposures reflect exposures where we have underlying IRB approval currently.



As at April 30, 2024

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q																	
																		Exposure values (by RW bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap (by regulatory approach)			
																		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%	SEC – IRBA ¹	SEC – ERBA and SEC-IAA	SEC – SA	1250%
(Millions of Canadian dollars)																																		
1 Total exposures	11,430	524	-	36	52	-	11,990	-	52	-	2,579	-	651	-	206	-	52																	
2 Traditional securitization	11,430	524	-	36	52	-	11,990	-	52	-	2,579	-	651	-	206	-	52																	
3 Of which: securitization	11,430	524	-	36	52	-	11,990	-	52	-	2,579	-	651	-	206	-	52																	
4 Of which: retail underlying	357	230	-	-	-	-	587	-	-	-	141	-	-	-	11	-	-																	
5 Of which: STC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
6 Of which: wholesale	11,073	294	-	36	52	-	11,403	-	52	-	2,438	-	651	-	195	-	52																	
7 Of which: STC	71	-	-	-	-	-	71	-	-	-	7	-	-	-	1	-	-																	
8 Of which: re-securitization																																		
9 Synthetic securitization																																		
10 Of which: securitization																																		
11 Of which: retail underlying																																		
12 Of which: wholesale																																		
13 Of which: re-securitization																																		

¹ SEC-IRBA exposures reflect exposures where we have underlying IRB approval currently.

MARKET RISK

MRA: Qualitative disclosure requirements related to market risk

Market risk management strategies and processes

Market risk arises from our trading and non-trading portfolios. The primary objective of trading is to generate an optimal return on our capital while ensuring that risks remain within our risk appetite. Trading activities involve market making, facilitating client transactions and hedging risks generated from these activities.

RBC has a sound and prudent control framework for determining the instruments to include in, and to exclude from, the trading book for purposes of regulatory capital, consistent with OSFI's CAR Guidelines. Policies specify the financial instruments mandated to be designated as trading and those that are excluded from a trading designation. Any deviation of instrument classification from the policy or regulatory guidance including rationale and materiality is notified to the regulator. Similarly, policies specify the definition and requirements of a trading desk, including but not limited to, mandate, risk limits, eligible products, and reporting requirements for P&L, intraday limits and inventory aging (including stale positions).

Market risk also arises from our non-trading portfolio as a result of managing interest rate risk from client-originating banking products (such as loans and deposits) and related hedge transactions, portfolios used for asset-liability management and liquidity management, exposures designated as FVOCI, and exposures from our insurance operations.

To ensure that market risk remains within our risk appetite, we hedge our market risk exposures where appropriate. We use cash and derivative financial instruments, as permitted by regulatory and jurisdictional requirements, to manage the market risk related to our trading and non-trading activities.

Under certain circumstances, market risks (interest rate, credit, or equity) may be hedged through derivative transactions with the trading portfolio through an Internal Risk Transfer (IRT). Interest rate IRTs are transacted through dedicated IRT desks which have been approved by OSFI. Credit and equity IRTs are transacted directly between non-trading and trading portfolios. We have defined policies that outline the requirements and governance of IRTs to ensure the transactions are compliant with OSFI's CAR guidelines at initiation and on an on-going basis.

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement	RBC 2023 Annual Report section	Sub-Section
a) Strategies and processes implemented to identify, measure, monitor and control the bank's market risks	Market Risk	Market risk controls – FVTPL positions, including trading portfolios
		Stress tests
		Market risk measures – FVTPL positions
		Market risk measures for assets and liabilities of RBC Insurance
		Market risk controls – Interest Rate Risk in the Banking Book (IRRBB) positions
		IRRBB measurement
		Market risk measures – IRRBB Sensitivities
		Market risk measures for other material non-trading portfolios
Policies for hedging risk and strategies/processes for monitoring the continuing effectiveness of hedges	Consolidated Financial Statements	Note 2 - Summary of significant accounting policies, estimates and judgements – <i>Hedge accounting</i>

MRA: Qualitative disclosure requirements related to market risk (continued)

Market risk management structure and organization

The Enterprise Market Risk Management Framework is the governance and control framework for the management of market risk within the bank. The market risk management structure is designed to ensure strong corporate governance over all market risk in the context of each business considering operating environment, industry best practices, and regulatory requirements. Drivers of market risk are considered in the bank’s policies, practices and standards which are continuously updated given dynamic market and regulatory conditions.

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement	RBC 2023 Annual Report section	Sub-Section
b) Description of the market risk governance structure established to implement the strategies and processes of the bank	Enterprise Risk Management	Risk governance
		Risk appetite
		Risk measurement
		Risk control
		Risk measurement - <i>Stress testing</i>
	Operational risk	Culture and conduct risk

Scope and nature of risk reporting and/or measurement systems

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement	RBC 2023 Annual Report section	Sub-Section
c) Scope and nature of risk reporting and/or measurement systems	Enterprise Risk Management	Risk measurement
		Risk control
		Risk measurement – <i>Stress testing</i>
	Market Risk	Market risk controls – FVTPL positions, including trading portfolios
		Stress tests
		Market risk measures – FVTPL positions
		Market risk measures for assets and liabilities of RBC Insurance
		Market risk controls – Interest Rate Risk in the Banking Book (IRRBB) positions
		IRRBB measurement
		Market risk measures – IRRBB Sensitivities
		Market risk measures for other material non-trading portfolios

MR1: Market risk under standardized approach

The following table presents the components of the capital and RWA requirement under our adoption of the Basel III reforms standardized approach for market risk (FRTB) effective for us November 1, 2023. On adoption templates MR 3 and MR 4 have been retired by OSFI while MR 2 is no longer applicable for us.

	(Millions of Canadian dollars)	As at July 31, 2024	
		Capital requirement	RWA
1	General interest rate risk	231	2,884
2	Equity risk	248	3,096
3	Commodity risk	196	2,455
4	Foreign exchange risk	253	3,160
5	Credit spread risk – non-securitisations	474	5,920
6	Credit spread risk – securitisations (non-correlation trading portfolio)	26	328
7	Credit spread risk – securitisation (correlation trading portfolio)	-	-
8	Default risk – non-securitisations	751	9,391
9	Default risk – securitisations (non-correlation trading portfolio)	100	1,244
10	Default risk – securitisations (correlation trading portfolio)	-	-
11	Residual risk add-on	355	4,442
12	Total	2,634	32,920

	(Millions of Canadian dollars)	As at April 30, 2024	
		Capital requirement	RWA
1	General interest rate risk	366	4,569
2	Equity risk	248	3,101
3	Commodity risk	194	2,431
4	Foreign exchange risk	364	4,547
5	Credit spread risk – non-securitisations	494	6,175
6	Credit spread risk – securitisations (non-correlation trading portfolio)	18	229
7	Credit spread risk – securitisation (correlation trading portfolio)	-	-
8	Default risk – non-securitisations	669	8,363
9	Default risk – securitisations (non-correlation trading portfolio)	150	1,880
10	Default risk – securitisations (correlation trading portfolio)	-	-
11	Residual risk add-on	309	3,861
12	Total	2,812	35,156



STANDARDISED RISK WEIGHTED COMPARISON

CMS1: Comparison of modelled and standardised RWA at risk level

The following table provides details of the comparison of modelled and standardised RWA at risk level.

As at July 31, 2024

		a	b	c	d
		RWA			
	(Millions of Canadian dollars)	RWA for modelled approaches that D-SIBs have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (i.e., RWA which D-SIBs report as current requirements)	RWA calculated using full standardised approach (i.e., used in the base of the output floor)
1	Credit risk (excluding counterparty credit risk)	333,044	123,493	456,537	682,676
2	Counterparty credit risk	23,231	1,818	25,049	107,723
3	Credit valuation adjustment		16,176	16,176	16,176
4	Securitisation exposures in the banking book	10,008	6,049	16,057	19,358
5	Market risk	-	32,920	32,920	32,920
6	Operational risk		87,775	87,775	87,775
7	Residual RWA		26,663	26,663	26,663
8	Total	366,283	294,894	661,177	973,291



As at April 30, 2024

		a	b	c	d
		RWA			
		RWA for modelled approaches that D-SIBs have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (i.e., RWA which D-SIBs report as current requirements)	RWA calculated using full standardised approach (i.e., used in the base of the output floor)
	(Millions of Canadian dollars)				
1	Credit risk (excluding counterparty credit risk)	329,840	117,879	447,719	676,475
2	Counterparty credit risk	23,031	2,638	25,669	105,040
3	Credit valuation adjustment		15,725	15,725	15,725
4	Securitisation exposures in the banking book	10,095	5,569	15,664	19,301
5	Market risk	-	35,156	35,156	35,156
6	Operational risk		87,165	87,165	87,165
7	Residual RWA		26,604	26,604	26,604
8	Total	362,966	290,736	653,702	965,466



CMS2: Comparison of modelled and standardised RWA for credit risk at asset class level

The following table provides details of the comparison of modelled and standardised RWA for credit risk at asset class level.

As at July 31, 2024

		a	b	c	d
		RWA			
	(Millions of Canadian dollars)	RWA for modelled approaches that D-SIBs have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (i.e., RWA which D-SIBs report as current requirements)	RWA calculated using full standardised approach (i.e., used in the base of the output floor)
1	Sovereign	11,521	2,481	14,002	14,831
	Of which: categorised as MDB/PSE in SA	6,442	2,401	8,843	11,826
2	Banks and other financial institutions	4,871	9,826	14,697	17,158
3	Covered Bonds	3,215	275	3,490	4,818
4	Equity ¹	-	7,808	7,808	7,808
5	Purchased receivables	-	-	-	-
6	Corporates	196,570	67,581	264,151	397,732
	Of which: F-IRB is applied	90,556	-	90,556	168,300
	Of which: A-IRB is applied	106,014	-	106,014	157,557
7	Retail	100,921	10,859	111,780	193,051
	Of which: qualifying revolving retail	24,551	1,232	25,783	32,091
	Of which: other retail	30,172	5,843	36,015	39,699
	Of which: retail residential mortgages	46,198	3,784	49,982	121,261
8	Specialised lending	15,946	-	15,946	22,615
	Of which: income-producing real estate and high volatility commercial real estate	13,923	-	13,923	16,958
9	Others	-	24,663	24,663	24,663
10	Total	333,044	123,493	456,537	682,676

¹ OSFI's CAR guideline only allows the Standardized Approach for our Equity holdings.



As at April 30, 2024

		a	b	c	d
		RWA			
		RWA for modelled approaches that D-SIBs have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (i.e., RWA which D-SIBs report as current requirements)	RWA calculated using full standardised approach (i.e., used in the base of the output floor)
	(Millions of Canadian dollars)				
1	Sovereign	11,306	2,651	13,957	15,680
	Of which: categorised as MDB/PSE in SA	6,658	2,553	9,211	12,331
2	Banks and other financial institutions	4,826	9,378	14,204	16,132
3	Covered Bonds	3,447	276	3,723	4,822
4	Equity ¹	-	7,061	7,061	7,061
5	Purchased receivables	-	-	-	-
6	Corporates	195,774	66,062	261,836	399,481
	Of which: F-IRB is applied	89,917	-	89,917	156,331
	Of which: A-IRB is applied	105,857	-	105,857	176,790
7	Retail	99,400	10,457	109,857	188,771
	Of which: qualifying revolving retail	24,103	1,209	25,312	31,357
	Of which: other retail	29,022	5,494	34,516	38,644
	Of which: retail residential mortgages	46,275	3,754	50,029	118,770
8	Specialised lending	15,087	-	15,087	22,534
	Of which: income-producing real estate and high volatility commercial real estate	13,663	-	13,663	18,388
9	Others	-	21,994	21,994	21,994
10	Total	329,840	117,879	447,719	676,475

¹ OSFI's CAR guideline only allows the Standardized Approach for our Equity holdings.



COUNTERCYCLICAL CAPITAL BUFFER

CCyB: Geographical distribution of credit exposures used in the countercyclical buffer

The following table provides the geographical distribution of our private sector credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement. Countercyclical capital buffer rates are as enacted by the respective jurisdiction.

As at July 31, 2024

Geographical distribution of credit exposures	a	b	c	d	e
	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate ¹	Countercyclical capital buffer amount ²
Exposure values		RWA			
<small>(Millions of Canadian dollars, except percentage and otherwise noted)</small>					
Geographical breakdown					
Australia (AU)	1.00	7,592	1,677		
Belgium	0.50	75	47		
Canada (CA)	-	993,266	254,988		
China (CN)	-	15,566	1,726		
France (FR)	1.00	5,039	2,345		
Germany (DE)	0.75	3,635	1,095		
Hong Kong SAR (HK)	1.00	1,628	382		
Japan (JP)	-	1,710	153		
South Korea (KR)	1.00	255	20		
Luxembourg (LU)	0.50	12,677	4,082		
Netherlands (NL)	2.00	3,382	1,528		
Spain (ES)	-	766	326		
Sweden (SE)	2.00	312	146		
Switzerland (CH)	-	2,565	574		
United Kingdom (GB)	2.00	26,914	9,825		
USA (US)	-	312,109	131,667		
Norway (NO)	2.50	153	118		
Other	-	36,445	15,979		
Total, where countercyclical capital buffer rate applies		61,662	21,265		
Total of geographical breakdowns		1,424,089	426,678	0.07%	463

¹ Bank-specific countercyclical capital buffer rate is the weighted average of the countercyclical capital buffer rates in which our private credit exposures are located.

² Countercyclical capital buffer amount is the amount of Common Equity Tier 1 capital held to meet the countercyclical capital buffer requirement determined by multiplying Total RWA (credit risk, market risk, and operational risk) by the bank-specific countercyclical capital buffer rate (column d).



As at April 30, 2024

Geographical distribution of credit exposures	a	b	c	d	e
	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate ¹	Countercyclical capital buffer amount ²
		Exposure values	RWA		
(Millions of Canadian dollars, except percentage and otherwise noted)					
Geographical breakdown					
Australia (AU)	1.00	3,907	1,331		
Belgium	0.50	78	48		
Canada (CA)	-	971,230	245,257		
China (CN)	-	14,652	1,649		
France (FR)	1.00	3,977	1,465		
Germany (DE)	0.75	2,240	906		
Hong Kong SAR (HK)	1.00	1,125	327		
Japan (JP)	-	1,592	147		
Luxembourg (LU)	0.50	12,064	3,463		
Netherlands (NL)	1.00	2,419	1,261		
Spain (ES)	-	800	332		
Sweden (SE)	2.00	288	147		
Switzerland (CH)	-	2,206	582		
United Kingdom (GB)	2.00	21,303	7,490		
USA (US)	-	283,809	129,086		
Norway (NO)	2.50	150	119		
Other	-	92,674	27,526		
Total, where countercyclical capital buffer rate applies		47,551	16,557		
Total of geographical breakdowns		1,414,514	421,136	0.05%	349

¹ Bank-specific countercyclical capital buffer rate is the weighted average of the countercyclical capital buffer rates in which our private credit exposures are located.

LEVERAGE
LR1: Summary comparison of accounting assets vs leverage ratio exposure measure

The following table presents a reconciliation of our total assets per our published financial statements to our leverage ratio exposure measure.

LEVERAGE RATIO ¹		Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023
Summary comparison of accounting assets vs. leverage ratio exposure measure (Millions of Canadian dollars)						
1	Total consolidated assets as per published financial statements	\$2,076,107	\$2,031,050	\$1,974,405	\$2,004,992	\$1,957,734
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(21,235)	(21,653)	(20,661)	(16,080)	(18,400)
3	Adjustment for securitized exposures that meet the operational requirements for the recognition of risk transfer ²	(10,008)	(9,006)	(5,816)	-	-
4	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-	-
5	Adjustments for derivative financial instruments	(15,440)	(16,460)	(4,745)	(36,521)	(19,177)
6	Adjustment for securities financing transactions (SFT) (i.e. repo assets and similar secured lending)	24,645	24,192	22,805	22,007	20,242
7	Adjustments for off-balance sheet items (i.e., credit equivalent amounts of off-balance sheet exposures)	265,945	260,468	244,162	249,049	241,480
8	Other adjustments	(49,007)	(49,572)	(36,731)	(43,857)	(39,847)
9	Leverage Ratio Exposure	\$2,271,007	\$2,219,019	\$2,173,419	\$2,179,590	\$2,142,032

¹ Based on OSFI's LR guideline effective Q2 2023.

² OSFI's LR guideline allows for the exclusion of securitized exposures that meet the operational requirements for risk transference.



LR2: Leverage ratio common disclosure template

The following table presents a detailed breakdown of the components of our leverage ratio. Maintaining a prescribed minimum level of leverage helps neutralizes leverage risk in the event of unexpected economic crises. OSFI requires maintenance of a minimum leverage ratio of 3.5% at all times.

LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE ¹		Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023
(Millions of Canadian dollars, except percentages)						
On-balance sheet exposures						
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures, but including collateral)	1,601,744	1,566,372	1,492,911	1,504,358	1,474,682
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework (IFRS)	-	-	-	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(18,754)	(19,422)	(15,100)	(21,362)	(18,547)
4	(Asset amounts deducted in determining Basel III Tier 1 capital)	(30,253)	(30,149)	(21,632)	(22,495)	(21,300)
5	Total on-balance sheet exposure (excluding derivatives and SFTs) (sum of lines 1 and 4)	1,552,737	1,516,801	1,456,179	1,460,501	1,434,835
Derivatives exposures						
6	Replacement cost associated with all derivatives transactions (i.e., net of eligible cash variation margin)	25,355	30,246	23,959	31,236	27,071
7	Add-on amounts for potential future exposure (PFE) associated with all derivatives transactions	72,048	80,129	72,686	70,943	66,591
8	(Exempted central counterparty (CCP)-leg of client-cleared trade exposures)	-	-	-	-	-
9	Adjusted effective notional amount of written credit derivatives ²	54,994	51,437	29,496	8,002	19,315
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives) ²	(52,178)	(48,073)	(25,847)	(4,253)	(16,240)
11	Total derivative exposures (sum of lines 6 to 10)	100,219	113,739	100,294	105,928	96,737
Securities financing transaction exposures						
12	Gross SFT assets recognized for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	454,791	443,348	456,615	438,781	443,453
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(127,330)	(139,529)	(106,636)	(96,676)	(94,715)
14	Counterparty credit risk (CCR) exposure for SFTs	24,645	24,192	22,805	22,007	20,242
15	Agent transaction exposures	-	-	-	-	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	352,106	328,011	372,784	364,112	368,980
Other off-balance sheet exposures						
17	Off-balance sheet exposures at gross notional amount	852,193	836,821	768,667	793,703	768,822
18	(Adjustments for conversion to credit equivalent amounts)	(586,248)	(576,353)	(524,505)	(544,654)	(527,342)
19	Off-balance sheet items (sum of lines 17 and 18)	265,945	260,468	244,162	249,049	241,480
Capital and Total Exposures						
20	Tier 1 capital	95,724	92,444	96,140	93,904	90,193
21	Total Exposures (sum of lines 5,11,16 and 19)	2,271,007	2,219,019	2,173,419	2,179,590	2,142,032
Leverage ratio						
22	Basel III leverage ratio	4.2%	4.2%	4.4%	4.3%	4.2%

¹ Based on OSFI's LR guideline effective Q2 2023.

² Amounts have been revised from those previously presented.

Our Leverage ratio of 4.2% was unchanged from last quarter, as net internal capital generation was offset by business-driven growth in leverage exposures.

Leverage exposures increased by \$52 billion, primarily due to volume growth in repo-style transactions, interest-bearing deposits with banks and securities. The impact of foreign exchange translation also contributed to the increase.

TOTAL LOSS ABSORBING CAPACITY (TLAC) DISCLOSURE REQUIREMENTS

KM2: Key metrics – TLAC requirements (at resolution group level)

The following summary table provides information about our TLAC available, and TLAC requirements applied, at the resolution group level under a Single Point of Entry. TLAC requirements establish two minimum standards, which are required to be met effective November 1, 2021: the risk-based TLAC ratio, which builds on the risk-based capital ratios described in OSFI's CAR guideline, and the TLAC leverage ratio, which builds on the leverage ratio described in OSFI's LR guideline. The risk-based TLAC ratio is defined as TLAC divided by Total risk-weighted assets while the TLAC leverage ratio is defined as TLAC divided by the Leverage ratio exposure. The current OSFI requirement for D-SIBs is to maintain a minimum TLAC ratio of 25% (inclusive of the DSB of 3.5%) before considering the countercyclical capital buffer and a TLAC leverage ratio of 7.25%. Prior TLAC ratio minimum requirements were 24% in Q1 2023 and 24.5% for the remaining fiscal 2023 quarters. Our TLAC leverage ratio minimum requirement beginning Q2 2023 was 7.25% reflecting incorporation of a 50 bps leverage buffer. We began issuing TLAC eligible debt in Q4 2018 and our TLAC ratio is expected to increase through normal course refinancing of maturing debt.

		a	b	c	d	e	f
		July 31 2024	April 30 2024	January 31 2024	October 31 2023	July 31 2023	Change (a) - (b)
<small>(Millions of Canadian dollars, except as otherwise noted)</small>							
Resolution group							
1	Total loss-absorbing capacity (TLAC) available	187,656	179,902	185,556	184,916	181,035	7,754
2	Total RWA at the level of the resolution group	661,177	653,702	590,257	596,223	585,899	7,475
3	TLAC ratio: TLAC as a percentage of RWA (row 1/row 2) (%)	28.4%	27.5%	31.4%	31.0%	30.9%	0.9%
4	Leverage ratio exposure measure at the level of the resolution group	2,271,007	2,219,019	2,173,419	2,179,590	2,142,032	51,988
5	TLAC Leverage Ratio: TLAC as a percentage of leverage ratio exposure measure (row 1/row 4) (%)	8.3%	8.1%	8.5%	8.5%	8.5%	0.2%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	Yes	Yes	Yes	Yes	Yes	-
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	No	No	No	No	-
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with Excluded Liabilities and that is recognized as external TLAC, divided by funding issued that ranks pari passu with Excluded Liabilities and that would be recognized as external TLAC if no cap was applied (%)	N/A	N/A	N/A	N/A	N/A	-

Our TLAC ratio of 28.4% was up 90 bps, reflecting a favourable impact from a net increase in eligible external TLAC instruments, as well as the factors noted above under the KM1.

Our TLAC leverage ratio of 8.3% was up 20 bps, reflecting a favourable impact from a net increase in eligible external TLAC instruments, as well as the factors noted above under the LR2.



TLAC1: TLAC composition (at resolution group level)

The following table presents details of the composition of our TLAC.

As at July 31, 2024

(Millions of Canadian dollars, except as otherwise noted)		Amount
	Regulatory capital elements of TLAC and adjustments	
1	Common Equity Tier 1 capital (CET1)	86,230
2	Additional Tier 1 capital (AT1) before TLAC adjustments	9,494
3	AT1 ineligible as TLAC as issued out of subsidiaries to third parties	-
4	Other adjustments	-
5	AT1 instruments eligible under the TLAC framework	9,494
6	Tier 2 capital (T2) before TLAC adjustments	12,355
7	Amortised portion of T2 instruments where remaining maturity > 1 year	1,656
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	-
9	Other adjustments	-
10	T2 instruments eligible under the TLAC framework	14,011
11	TLAC arising from regulatory capital	109,735
	Non-regulatory capital elements of TLAC	
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	-
13	External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities but meet all other TLAC term sheet requirements	78,268
14	Of which: amount eligible as TLAC after application of the caps	78,268
15	External TLAC instruments issued by funding vehicles prior to January 1, 2022	-
16	Eligible ex ante commitments to recapitalise a G-SIB in resolution	-
17	TLAC arising from non-regulatory capital instruments before adjustments	78,268
	Non-regulatory capital elements of TLAC: adjustments	
18	TLAC before deductions	188,003
19	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to SPE G-SIBs and D-SIBs)	-
20	Deduction of investments in own other TLAC liabilities	(347)
21	Other adjustments to TLAC	-
22	TLAC available after deductions	187,656
	Risk-weighted assets and leverage exposure measure for TLAC purposes	
23	Total risk-weighted assets adjusted as permitted under the TLAC regime	661,177
24	Leverage exposure measure	2,271,007
	TLAC ratios and buffers	
25	TLAC Ratio (as a percentage of risk-weighted assets adjusted as permitted under the TLAC regime, row 22 / row 23)	28.4%
26	TLAC Leverage Ratio (as a percentage of leverage exposure)	8.3%
27	CET1 (as a percentage of risk-weighted assets) available after meeting the resolution group's minimum capital and TLAC requirements	4.8%
28	Institution-specific buffer (capital conservation buffer plus countercyclical buffer plus higher loss absorbency, expressed as a percentage of risk-weighted assets)	3.6%
29	Of which: capital conservation buffer	2.5%
30	Of which: bank specific countercyclical buffer	0.1%
31	Of which: higher loss absorbency	1.0%



TLAC1: TLAC composition (at resolution group level) (continued)

As at April 30, 2024

(Millions of Canadian dollars, except as otherwise noted)		Amount
Regulatory capital elements of TLAC and adjustments		
1	Common Equity Tier 1 capital (CET1)	83,497
2	Additional Tier 1 capital (AT1) before TLAC adjustments	8,947
3	AT1 ineligible as TLAC as issued out of subsidiaries to third parties	-
4	Other adjustments	-
5	AT1 instruments eligible under the TLAC framework	8,947
6	Tier 2 capital (T2) before TLAC adjustments	12,909
7	Amortised portion of T2 instruments where remaining maturity > 1 year	1,652
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	-
9	Other adjustments	-
10	T2 instruments eligible under the TLAC framework	14,561
11	TLAC arising from regulatory capital	107,005
Non-regulatory capital elements of TLAC		
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	-
13	External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities but meet all other TLAC term sheet requirements	73,385
14	Of which: amount eligible as TLAC after application of the caps	73,385
15	External TLAC instruments issued by funding vehicles prior to January 1, 2022	-
16	Eligible ex ante commitments to recapitalise a G-SIB in resolution	-
17	TLAC arising from non-regulatory capital instruments before adjustments	73,385
Non-regulatory capital elements of TLAC: adjustments		
18	TLAC before deductions	180,390
19	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to SPE G-SIBs and D-SIBs)	-
20	Deduction of investments in own other TLAC liabilities	(488)
21	Other adjustments to TLAC	-
22	TLAC available after deductions	179,902
Risk-weighted assets and leverage exposure measure for TLAC purposes		
23	Total risk-weighted assets adjusted as permitted under the TLAC regime	653,702
24	Leverage exposure measure	2,219,019
TLAC ratios and buffers		
25	TLAC Ratio (as a percentage of risk-weighted assets adjusted as permitted under the TLAC regime, row 22 / row 23)	27.5%
26	TLAC Leverage Ratio (as a percentage of leverage exposure)	8.1%
27	CET1 (as a percentage of risk-weighted assets) available after meeting the resolution group's minimum capital and TLAC requirements	4.5%
28	Institution-specific buffer (capital conservation buffer plus countercyclical buffer plus higher loss absorbency, expressed as a percentage of risk-weighted assets)	3.6%
29	Of which: capital conservation buffer	2.5%
30	Of which: bank specific countercyclical buffer	0.1%
31	Of which: higher loss absorbency	1.0%

TLAC2: Material subgroup entity – creditor ranking at legal entity level (G-SIBs only)

TLAC 2 is a G-SIB disclosure requirement to provide the ranking of the liability structure of all our material subsidiaries in foreign jurisdictions as defined by the FSB TLAC term sheet. RBC US Group Holdings LLC (“RBC IHC”) is a material subsidiary entity for which TLAC 2 disclosure is required. RBC IHC complies with the Federal Reserve TLAC rules which require reporting of TLAC ratios for calendar quarters on or after June 2021. OSFI has advised RBC can align its RBC IHC TLAC 2 disclosure requirements to similarly disclose calendar quarter TLAC ratios. OSFI also requires us to disclose TLAC 2 for any other material subsidiary identified, however, at this time RBC IHC is our only material subsidiary.

As at July 31, 2024

(Millions of Canadian dollars, except as otherwise noted) Based on US GAAP		Creditor ranking					Sum
		1 (most junior)	2	3	4	5	
1	Is the resolution entity the creditor/investor? (yes or no)	yes	-	no	yes	-	-
2	Description of creditor ranking	Common shares	Preferred shares and Limited Recourse Capital Notes	Subordinated Debt	Bail-in Debt ¹	Other Liabilities excluding Bail-in Debt and Subordinated Debt ²	
3	Total capital and liabilities net of credit risk mitigation	26,633	-	-	13,133	4,109	43,875
4	Subset of row 3 that are excluded liabilities	-	-	-	-	4,109	4,109
5	Total capital and liabilities less excluded liabilities (row 3 minus row 4)	26,633	-	-	13,133	-	39,766
6	Subset of row 5 that are eligible as TLAC	26,633	-	-	13,133	-	39,766
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years			-	-	-	-
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years			-	5,343	-	5,343
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years			-	7,791	-	7,791
10	Subset of row 6 with residual maturity ≥ 10 years, but excluded perpetual securities			-	-	-	-
11	Subset of row 6 that is perpetual securities	26,633	-	-	-	-	26,633

¹ Under the Bail-in regime, claims of some creditors whose claims otherwise rank equally with those of the holders holding bail-inable notes would be excluded from a bail-in conversion and thus the holders and beneficial owners of bail-inable notes will have to absorb losses ahead of these other creditors as a result of the bail-in conversion. Bail-in-Debt represents TLAC Eligible Long-Term Debt based on U.S. TLAC rules.

² Completion of this column is not required by OSFI at this time.

TLAC2: Material subgroup entity – creditor ranking at legal entity level (G-SIBs only) (continued)

As at April 30, 2024

(Millions of Canadian dollars, except as otherwise noted) Based on US GAAP		Creditor ranking					Sum
		1 (most junior)	2	3	4	5	
1	Is the resolution entity the creditor/investor? (yes or no)	yes	-	no	yes	-	-
2	Description of creditor ranking	Common shares	Preferred shares and Limited Recourse Capital Notes	Subordinated Debt	Bail-in Debt ¹	Other Liabilities excluding Bail-in Debt and Subordinated Debt ²	
3	Total capital and liabilities net of credit risk mitigation	26,355	-	-	12,996	4,066	43,417
4	Subset of row 3 that are excluded liabilities	-	-	-	-	4,066	4,066
5	Total capital and liabilities less excluded liabilities (row 3 minus row 4)	26,355	-	-	12,996	-	39,351
6	Subset of row 5 that are eligible as TLAC	26,355	-	-	12,996	-	39,351
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years			-	-	-	-
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years			-	10,220	-	10,220
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years			-	2,776	-	2,776
10	Subset of row 6 with residual maturity ≥ 10 years, but excluded perpetual securities			-	-	-	-
11	Subset of row 6 that is perpetual securities	26,355	-	-	-	-	26,355

¹ Under the Bail-in regime, claims of some creditors whose claims otherwise rank equally with those of the holders holding bail-inable notes would be excluded from a bail-in conversion and thus the holders and beneficial owners of bail-inable notes will have to absorb losses ahead of these other creditors as a result of the bail-in conversion. Bail-in-Debt represents TLAC Eligible Long-Term Debt based on U.S. TLAC rules.

² Completion of this column is not required by OSFI at this time.

TLAC3: Resolution entity – creditor ranking at legal entity level

The following table provides information regarding the ranking of our unsecured liabilities structure at the resolution entity level.

As at July 31, 2024

		Creditor ranking					Sum
		1	2	3	4	5	
(Millions of Canadian dollars, except as otherwise noted)		(most junior)					
1	Description of creditor ranking	Common shares	Preferred shares and Limited Recourse Capital Notes	Subordinated Debt	Bail-in Debt ¹	Other Liabilities excluding Bail-in Debt and Subordinated Debt ²	
2	Total capital and liabilities net of credit risk mitigation	20,977	9,520	13,795	104,900	-	149,192
3	Subset of row 2 that are excluded liabilities	191	28	90	23,467	-	23,776
4	Total capital and liabilities less excluded liabilities (row 2 minus row 3)	20,786	9,492	13,705	81,433	-	125,416
5	Subset of row 4 that are <i>potentially</i> eligible as TLAC	20,786	9,492	13,705	81,433	-	125,416
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years			2,070	17,038	-	19,108
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years			-	39,306	-	39,306
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years			9,939	18,182	-	28,121
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities			1,696	6,907	-	8,603
10	Subset of row 5 that is perpetual securities	20,786	9,492	-	-	-	30,278

¹ Under the Bail-in regime, claims of some creditors whose claims otherwise rank equally with those of the holders holding bail-inable notes would be excluded from a bail-in conversion and thus the holders and beneficial owners of bail-inable notes will have to absorb losses ahead of these other creditors as a result of the bail-in conversion.

² Completion of this column is not required by OSFI at this time.

TLAC3: Resolution entity – creditor ranking at legal entity level (continued)

As at April 30, 2024

		Creditor ranking					Sum
		1 (most junior)	2	3	4	5	
(Millions of Canadian dollars, except as otherwise noted)							
1	Description of creditor ranking	Common shares	Preferred shares and Limited Recourse Capital Notes	Subordinated Debt	Bail-in Debt ¹	Other Liabilities excluding Bail-in Debt and Subordinated Debt ²	
2	Total capital and liabilities net of credit risk mitigation	20,918	9,420	14,039	108,540	-	152,917
3	Subset of row 2 that are excluded liabilities	71	9	66	30,181	-	30,327
4	Total capital and liabilities less excluded liabilities (row 2 minus row 3)	20,847	9,411	13,973	78,359	-	122,590
5	Subset of row 4 that are <i>potentially</i> eligible as TLAC	20,847	9,411	13,973	78,359	-	122,590
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years			-	15,197	-	15,197
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years			2,065	40,159	-	42,224
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years			11,435	16,258	-	27,693
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities			473	6,745	-	7,218
10	Subset of row 5 that is perpetual securities	20,847	9,411	-	-	-	30,258

¹ Under the Bail-in regime, claims of some creditors whose claims otherwise rank equally with those of the holders holding bail-inable notes would be excluded from a bail-in conversion and thus the holders and beneficial owners of bail-inable notes will have to absorb losses ahead of these other creditors as a result of the bail-in conversion.

² Completion of this column is not required by OSFI at this time.

INTEREST RATE RISK IN THE BANKING BOOK

The table below presents an overview of Pillar 3 disclosure requirements that have been met within our 2023 Annual Report and incorporated by reference into this Pillar 3 report. Our 2023 Annual Report is available free of charge on our website at <http://www.rbc.com/investorrelations>.

Pillar 3 disclosures requirement	RBC 2023 Annual Report section	Sub-section
Interest rate risk in the banking book	Market Risk	Market Risk