ROYAL BANK OF CANADA
THIRD QUARTER RESULTS
CONFERENCE CALL
WEDNESDAY, AUGUST 27, 2025

DISCLAIMER

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 document, in filings with Canadian regulators or the SEC, in reports 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 in this document include, but are not limited to, statements relating to our financial performance objectives, priorities, vision and strategic goals, anticipated economic conditions and their anticipated impacts on our business, ROE, the uncertainty and potential impacts of trade policy and tariffs, the expected enterprise value generated from AI, Canadian housing resale activity, expected transaction and deal closure activity for corporate and sponsor clients, the expected run-off of benefits from the purchase price accounting accretion of fair value adjustments from the acquisition of HSBC Bank Canada, net income interest growth (excluding trading), core expense growth, operating leverage, adjusted non-TEB effective tax rate, the expected negative impact on our Q4 2025 results, expected net losses for Corporate Support, expected Wholesale portfolio levels, Commercial PCL, and PCL on impaired loans. The forward-looking statements contained in this document represent the views of management and are presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented, as well as our financial performance objectives, vision, strategic goals and priorities and anticipated financial performance, and may not be appropriate for other purposes. 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, environmental & social or other 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. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include, but are not limited to: credit, market, liquidity and funding, insurance, operational, compliance (which could lead to us being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties and fines), strategic, reputation, legal and regulatory environment, competitive and systemic risks, risks associated with escalating trade tensions, including protectionist trade policies such as the imposition of tariffs, and other risks discussed in the risk sections of our annual report for the fiscal year ended October 31, 2024 (2024 Annual Report) and the Risk management section of our Q3 2025 Report to Shareholders, including business and economic conditions in the geographic regions in which we operate, Canadian housing and household indebtedness, information technology, cyber and third-party risks, geopolitical uncertainty, environmental and social risk, digital disruption and innovation, privacy and data related risks, regulatory changes, culture and conduct risks, the effects of changes in government fiscal, monetary and other policies, tax risk and transparency and our ability to anticipate and successfully manage risks arising from all of the foregoing factors. Additional factors that could cause actual results to differ materially from the expectations in such forward-looking statements can be found in the risk sections of our 2024 Annual Report and the Risk management section of our Q3 2025 Report to Shareholders, as may be updated by subsequent quarterly reports.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events, as well as the inherent uncertainty of forward-looking statements. Material economic assumptions underlying the forward-looking statements contained in this document are set out in the Economic, market and regulatory review and outlook section and for each business segment under the Strategic priorities and Outlook headings in our 2024 Annual Report, as updated by the Economic, market and regulatory review and outlook section of our Q3 2025 Report to Shareholders. Such sections may be updated by subsequent quarterly reports. Any forward-looking statements contained in this document represent the views of management only as of the date hereof, and except as required by law, we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

Additional information about these and other factors can be found in the risk sections of our 2024 Annual Report and the Risk management section of our Q3 2025 Report to Shareholders, as may be updated by subsequent quarterly reports.

Information contained in or otherwise accessible through the websites mentioned does not form part of this document. All references in this document to websites are inactive textual references and are for your information only.

ASIM IMRAN, VICE PRESIDENT, HEAD OF INVESTOR RELATIONS

Thank you, and good morning, everyone.

Speaking today will be Dave McKay, President and Chief Executive Officer, Katherine Gibson, Chief Financial Officer, and Graeme Hepworth, Chief Risk Officer. Also joining us today for your questions: Erica Nielsen, Group Head, Personal Banking, Sean Amato-Gauci, Group Head, Commercial Banking, Neil McLaughlin, Group Head, Wealth Management, Derek Neldner, Group Head, Capital Markets and Jennifer Publicover, Group Head, Insurance. As noted on slide 2, our comments may contain forward-looking statements, which involve assumptions, and have inherent risks and uncertainties. Actual results could differ materially. I would also remind listeners that the bank assesses its performance on a reported and adjusted basis and considers both to be useful in assessing underlying business performance. To give everyone a chance to ask questions, we ask that you limit your questions and then re-queue. With that, I'll turn it over to Dave.

DAVE MCKAY, PRESIDENT & CHIEF EXECUTIVE OFFICER

Good morning everyone, and thank you for joining us.

Today, we reported record third quarter earnings of $5.4 billion, up 21 percent or over $900 million from last year. These outstanding results underpinned a strong return on equity of over 17 percent for the quarter or over 16 percent year-to-date, supported by a robust capital ratio of 13.2 percent. We are gaining momentum towards meeting our medium-term Investor Day targets and are confident in continuing to achieve an ROE of at least 16 percent in fiscal 2026 and beyond.

This quarter's strong earnings added 77 basis points of gross capital generation, truly showcasing the underlying earnings power of the bank, including realizing our targeted annualized cost synergies related to the acquisition of HSBC Bank Canada. Our diversified business model is built to drive strong risk-adjusted returns, which in turn supports both our clients and the return of capital to shareholders, including increased share buybacks this quarter. Strong client-driven risk-weighted asset growth supported revenue of $17 billion this quarter, including record revenue in Capital Markets, and double-digit growth in Personal Banking and Wealth Management.

We achieved our results in an environment of record equity markets and cyclically low investment grade credit spreads while seeing an increased flow of client deposits and market-related client activity. However, the constructive environment for market-related revenue continues to be tempered by geopolitical risks and the uncertainty around trade policy, particularly China's levy against Canada's canola exports and the potential review or re-negotiation of CUSMA. We continue to monitor the negotiations, and we encourage policymakers on all sides to build on the foundational strengths of current trade agreements, which have provided significant benefits to all parties. Should current CUSMA-compliant goods largely maintain their qualified exemption to tariffs, Canada's effective tariff rate should remain low, and the economy should remain resilient. However, as trade tensions extend, there may be persistent impacts, including declining consumer confidence, lower corporate profit margins, rising inflation and softening labour markets across both the U.S. and Canada with uncertain implications to monetary policy and capital flows.

Amidst this shifting landscape, we are operating from a position of strength. Our robust capital levels are reinforced by a strong allowance for credit loss of 74 basis points of loans, including elevated weightings to our downside scenarios. We believe our well-underwritten portfolio is prudently provisioned. The diversification of assets and revenue streams across client sectors, geographies, products and businesses further mitigates the impact of heightened uncertainty and volatility.

As the country's largest financial institution by market capitalization, we have an important role to play in helping support our clients build an even better Canada while executing against the strategic priorities we highlighted at our Investor Day, both within and outside of Canada. We are accelerating our investments in strategic initiatives by seeding growth across our segments and geographies, including new product and cross-border capabilities. We are also improving and expanding our talent pool by hiring senior coverage and relationship talent in Capital Markets and client-facing account managers in Commercial Banking. In addition, we continue to attract experienced financial advisors in Wealth Management, especially in the United States where we expect higher recurring revenue from this recruitment. Our ongoing investments in technology build upon our leading competitive advantage in artificial intelligence, including in our proprietary ATOM foundation model and Lumina data platform. These investments underpin the enterprise value we expect to generate from AI over the medium-term. Furthermore, our expansion into transaction banking continues to be on track with RBC Clear receiving two awards at the recent Digital Banker's Global Transaction Banking Innovation Awards.

With this context, I will now speak to key trends we are seeing across our businesses, starting with Personal Banking.

In our Canadian business, average deposits were up 2 percent from last year, including 7 percent growth in banking and savings accounts. We continue to focus on client acquisition while also capturing the shifting money-in-motion given the evolving interest rate and market outlook. These core deposits provide a structural funding cost advantage. Average residential mortgages were up 3 percent year-over-year as we added $4 billion of average balances this quarter. While we have maintained discipline on both credit quality and pricing, we are benefiting from higher switch-in volumes and an increase in mortgage retention rates. While we see a pick-up in housing starts, and signs of price stabilization and buyer confidence returning as affordability improves, we continue to expect Canadian housing resale activity to be dampened by underperformance in Ontario, particularly in the Greater Toronto Area. In contrast, credit card growth was solid at 7 percent this quarter driven by account acquisition, higher revolve rates and increased client engagement. Our proprietary RBC Consumer Spending Tracker highlights that Canadian cardholder spending remained resilient, particularly in the retail and everyday categories. This quarter, we expanded our partnership with the Pattison Food Group into Western Canada and launched the WestJet RBC World Elite Mastercard credit card for business clients.

Turning to Commercial Banking. Average loan growth moderated to 6 percent year-over-year, within the updated guidance we provided last quarter. Growth has been slower in more tariff-sensitive sectors, including manufacturing, transportation and logistics along with cyclical headwinds in commercial real estate. While our pipelines are building in a competitive market, clients continue to hold back their capital and inventory spend. We are well positioned to support our clients when they are ready.

Moving to Wealth Management, we reported double-digit growth in assets under administration in both Canadian and U.S. Wealth Management to $935 billion and US$718 billion, respectively. Our global Wealth Management franchises benefited from market appreciation, while continuing to drive net new client assets, along with increased volumes in our U.S. lending solutions. We also launched RBC Premium Savings in the U.S. this year, a new non-sweep, high yield deposit product, which is seeing positive traction. Direct Investing trading volumes were supported by strong market activity. Assets Under Management in RBC Global Asset Management increased by 12 percent to a record $741 billion, reflecting net sales into both long-term institutional and retail mandates. Like our Wealth Management businesses, we are seeing momentum in Canadian retail mutual fund net sales as our clients move back into markets across our broad set of strategies across fixed income, balanced and equity mandates.

Now to Capital Markets, which reported record revenue of $3.8 billion, pre-provision, pre-tax earnings of $1.7 billion and net income of $1.3 billion this quarter. On a year-to-date basis, Capital Markets generated close to $11 billion in revenue and approximately $4 billion in net income. These are truly exceptional results across our diversified franchise. Global Markets reported revenue of over $1.9 billion, with strong results in our FICC business reflecting strength in spread and rates products, which are areas of traditional strength. We also reported a strong performance in both cash equities and equity derivatives as we supported heightened client activity, benefiting from increasing investments in the franchise. Corporate and Investment Banking generated revenue of over $1.7 billion, benefiting from an increased number of larger M&A advisory mandates along with higher lending revenue in the U.S. and Europe, reflecting the strength of our global franchise. Looking forward, we continue to maintain a high level of engagement with our clients in what we deem a constructive environment for capital markets. While the second half of the year is seasonally slower than the first, we are encouraged by increased optimism and confidence amongst our corporate and sponsor clients, and expect higher levels of transactions and deal closures over the next 12 months. We also expect our Global Markets franchise to remain resilient as we deepen our expertise across products.

Finally, I will comment on our broader U.S. region, which reported US$635 million of net income this quarter. City National Bank reported earnings of US$114 million, or adjusted earnings of US$139 million. The geographic efficiency ratio improved 6.6 percentage points year-over-year to 81.5 percent. While there is still work to be done, we are seeing early signs of success as we continue to build a more cohesive U.S. operating model.

To close, despite the uncertain environment, we are confident in our ability to generate a strong return on equity while continuing to deepen client relationships, grow market share, drive operating leverage and return capital to shareholders. The strategic vision we articulated at our Investor Day remains clear, and we are already seeing the outcomes unfolding. We strive to further extend our leadership across Canada while scaling growth and unlocking new revenue streams in key markets and geographies, including the United States. Finally, in the spirit of continued transparency and accountability, we will look to provide an update on how we are performing against our Investor Day financial targets when we report our fourth quarter results later this year.

Katherine, over to you.

KATHERINE GIBSON, CHIEF FINANCIAL OFFICER

Thanks Dave, and good morning everyone.

Starting with slide 8. This quarter, we reported diluted Earnings Per Share of $3.75. Adjusted diluted Earnings Per Share of $3.84 was up 18 percent from last year, driven by strong revenue momentum across our businesses and solid operating leverage, including the realization of the $740 million in annualized cost synergies from the acquisition of HSBC Bank Canada (HSBC Canada).

Turning to Capital on slide 9. We continued to demonstrate strong capital generation. Our CET1 ratio came in at 13.2 percent, in-line with last quarter. Strong internal capital generation, net of dividends, was partly offset by the impact of an increase in risk-weighted-assets in our U.S. Agency and sovereign exposures driven by a downgrade of U.S. sovereign debt ratings. Furthermore, changes to our credit risk parameters, which I called out last quarter, also had a modest negative impact to capital. We continued to deploy capital to drive organic growth, particularly in corporate lending and residential mortgages as well as increased loan underwriting commitments in Capital Markets. Returning capital to our shareholders through share buybacks and dividends remains a key part of our deployment strategy. This quarter, we repurchased 5.4 million shares for $955 million, in-line with the level purchased in aggregate over the last three quarters. Our total payout ratio was 56 percent year-to-date. We will continue to be tactical with the level of share repurchases, based on prevailing market conditions.

Moving to slide 10. All-bank net interest income was up 14 percent year-over-year, or up 12 percent excluding trading revenue. All-bank net interest margin, excluding trading revenue, was down 5 basis points from last quarter, mainly due to lower interest income on certain transactions in Capital Markets which was offset in other non-interest income. We believe net interest margin is more of a relevant factor for our retail and commercial banking segments. Canadian Banking NIM was up 2 basis points from last quarter, benefitting from a favourable product mix, including a shift towards demand deposits in Personal Banking, which were up 1.5 percent from last quarter, offsetting a 1 percent sequential decline in GICs. We continue to benefit from tailwinds related to our structural hedging tractor strategy, as five-year swap rates remain elevated relative to historical levels. The combination of the above two factors more than offset competitive pricing pressures in residential mortgages. As a reminder, benefits to net interest income from the purchase price accounting accretion of fair value adjustments from the HSBC Canada acquisition of $118 million this quarter are expected to be largely run-off by Q2 / 2026. Looking forward, we now expect our 2025 all-bank net interest income growth (ex-trading) to be in the mid-teens range, including benefits from a more favourable deposit mix. Before moving onto expenses, one item I would like to point out is that the increase in other non-interest income includes impacts from hedges of our U.S. share-based compensation plan, which is largely offset in non-interest expense, as well as in net interest income as I noted above in my discussion on all bank NIM.

Moving to slide 11. Reported non-interest expense was up 7 percent and core non-interest expense was up 8 percent from last year. Core expense growth this quarter reflects higher staff-related costs, largely driven by variable compensation, commensurate with strong revenue growth in both Wealth Management and Capital Markets as well as increased salaries and pensions & benefits. Higher expenses also reflect investments in technology and operations, as well as hiring in priority growth areas. Concurrently, we will continue operating within a disciplined expense management framework to prudently manage our cost base. Going forward, we expect all-bank core expense growth, which is based on reported 2024 expenses, to now be in the mid-to-high single digit range largely reflecting higher variable compensation. That said, we expect strong all-bank operating leverage for the year, which is a key management priority.

On taxes, the adjusted non-TEB effective tax rate was 21.2 percent this quarter, relatively in-line with the first half of 2025. Looking forward, we continue to expect the adjusted non-TEB effective tax rate to be in the 20 to 22 percent range.

Turning to our Q3 segment results beginning on slide 12. Personal Banking reported results of over $1.9 billion. Focusing on Personal Banking – Canada, net income was up 23 percent from last year as a strong operating leverage of 12.5 percent was partly offset by higher provisions for credit losses. Personal Banking's efficiency ratio improved to 38.7 percent this quarter, underpinned by strong revenue and relatively flat expense growth, partly reflecting the benefits from realized cost synergies related to the acquisition of HSBC Canada. Higher revenues this quarter benefited from a 14 percent increase in net interest income and a 10 percent increase in non-interest income, largely driven by higher mutual fund revenue.

Turning to slide 13. Commercial Banking net income of $836 million rose 2 percent from a year ago. Pre-provision, pre-tax earnings were up 8 percent from last year, driven by a strong operating leverage of 4.8 percent, reflecting solid average volume growth and well-managed expenses, including the benefits of realized cost synergies related to the acquisition of HSBC Canada. This was offset partly by lower credit fees reflecting the cessation of BA-based lending, which was offset in net-interest income.

Turning to Wealth Management on slide 14. Net income of approximately $1.1 billion rose 15 percent from a year ago. Non-interest income was up 13 percent from last year, reflecting strong growth in fee-based client assets across our wealth and asset management businesses, benefitting from market appreciation and net new assets. Net interest income was up 6 percent from last year, including higher results in Canadian Wealth Management reflecting average volume growth in deposits and higher spreads. This was partly offset by headwinds in U.S. Wealth Management. Higher revenue this quarter was partly offset by higher variable compensation, commensurate with increased compensable revenue and investments including technology and recruitment of Financial Advisors. City National generated US$139 million in adjusted earnings, up 81 percent from last year and 58 percent from last quarter. Last year's results included an impairment loss on our interest in an associated company and the sale of a non-core investment.

Turning to our Capital Markets results on slide 15. Net income of $1.3 billion increased 13 percent from last year, reflecting record revenues of $3.8 billion. On a pre-provision, pre-tax basis, results were up 36 percent year over year to $1.7 billion. Global Markets revenue was up 37 percent year-over-year, reflecting higher fixed-income trading, benefitting in part due to narrowing spreads. Results also benefitted from our robust equity and FX trading performance. Corporate and Investment Banking revenue was up 11 percent from last year. Investment Banking revenue was up 11 percent from last year reflecting higher debt and equity originations and M&A activity across most regions. Lending and Transaction Banking revenue was also up 11 percent, reflecting higher lending revenue in the U.S. and Europe. This was partly offset by lower municipal banking activity, compared to a strong Q3 last year. Higher revenue was partly offset by higher variable compensation. Investments in technology also contributed to higher expenses.

Turning to slide 16. Insurance net income of $247 million was up 45 percent from last year, driven by higher insurance service result from improved life insurance claims experience, and higher insurance investment result reflecting lower capital funding costs. Looking ahead, we expect Q4 results to be negatively impacted primarily as a result of our annual actuarial assumption updates.

Lastly, results for Corporate Support in the quarter benefitted from the elevated net impact of favourable markets in our U.S. share-based compensation plan. As we look forward to the fourth quarter, we expect Corporate Support to generate a net loss at the lower end of our $100 to $150 million range.

To conclude, despite the market and macroeconomic uncertainty, we generated record results this quarter, underpinning an ROE of 17.3 percent, with a CET1 ratio of 13.2 percent. Our Q3 performance showcases the strength of our diversified business model and its ability to drive premium returns, as highlighted at our Investor Day – and positions us well in the quarters ahead as we execute on those strategies.

With that, I'll turn it over to Graeme.

GRAEME HEPWORTH, CHIEF RISK OFFICER

Thank you, Katherine, and good morning everyone.

I will now discuss our allowances in the context of the current macroeconomic environment and ongoing trade uncertainty. Overall, the Canadian economy has shown greater resilience than initially expected and both business and consumer confidence have rebounded from earlier lows. We began the quarter with signs of reduced trade tensions, but this was followed by renewed tariff threats and the escalation of sector- and country-specific tariffs. And as the heightened uncertainty around trade policy stretches over an extended timeframe, this also increases the risk of shrinking appetite for business investment in Canada. Against this backdrop, recall that last quarter we increased our reserves to reflect the heightened uncertainty. We had implemented a new trade-related scenario, reflecting the potential for a severe North American recession driven by an escalating global trade war and rising geopolitical risks. Given the ongoing uncertainty this quarter, we have maintained our prudent posture and retained the elevated weightings to our downside scenarios in line with last quarter.

Turning to slide 18, we released a total of $28 million or (1) basis point of provisions on performing loans this quarter mainly reflecting favourable changes to our macroeconomic forecast, partially offset by portfolio growth and unfavourable changes in portfolio composition. We saw quarter-over-quarter improvements to our base case unemployment and GDP forecasts, with rising Canadian fiscal stimulus contributing to the lifting of our outlook. This translated to a minor release of allowances on our performing loans in Wealth Management and Capital Markets, offset by a small increase in provisions in Personal Banking. City National drove the bulk of the release of allowances due to favorable credit quality and improvement in the U.S. macroeconomic forecast. Retail clients have shown resilience amidst this uncertain economic environment and have largely managed through the impact of increasing mortgage payments. Overall, we are well-reserved after building up allowances over the past 3 years, and we will continue to prudently manage our allowances given the backdrop of ongoing uncertainty.

Moving to slide 19, gross impaired loans of $8.8 billion were down $0.2 billion or 3 basis points from last quarter, primarily driven by our Wholesale portfolios, which saw lower new formations[1]. The decrease in GIL reflects several accounts moving back to performing status and the resolution of the administrative issues outlined in the prior quarter. While GIL remains elevated, we are seeing a moderation in the pace of exposures moving onto our watchlist and our wholesale portfolios are showing more balance, with moderating formations in Capital Markets, positive trends in City National and a soft Canadian economy contributing to elevated impairments in the Commercial portfolio. In Capital Markets, new formations decreased $453 million quarter-over-quarter. Impairments this quarter were mainly driven by two accounts, one in each of the Financing Products and Telecom and Media sectors. We also saw a couple of clients in the Real Estate & Related and Industrial Products sectors return to performing status resulting in a net reduction to GIL. In Commercial Banking, new formations decreased $399 million quarter-over-quarter. The largest new formations in the quarter relate to borrowers in the Real Estate and Related and Agriculture sectors. While new formations in the Wholesale portfolio are playing out as anticipated, they are expected to remain at elevated levels through the first half of 2026. We expect to see more moderate outcomes as we work through the watchlist and special loans pipeline and as the economy gains momentum through 2026. As a reminder, impairments and recognized losses in our Wholesale portfolios are inherently more difficult to predict quarter-over-quarter and can be volatile.

Turning to slide 20, PCL on impaired loans of 36 basis points was up 1 basis point or $61 million quarter-over-quarter, in line with our expectations. In Capital Markets, provisions were up $83 million driven by additional provisions taken on a previously impaired account in the Other Services sector which is undergoing a challenging and complex workout process. There was also a new impairment in the Financing Products sector. In our Commercial Banking portfolio, provisions of $296 million were up $10 million, led by provisions in the Real Estate & Related, Consumer Discretionary and Transportation sectors.

Overall, the Commercial portfolio continues to be impacted by softer economic conditions and consumer spending in Canada. Elevated impaired provisions over the last 12 months primarily reflect exposure in cyclical supply chain-related sectors like Automotive, Transportation and Industrial Products; as well as Consumer Discretionary and Real Estate and Related sectors which have all been impacted by the

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[1] New formations for collectively assessed portfolios in Canadian Banking and Caribbean Banking are net of amounts returned to performing, repayments, sales, FX, and other movements, as amounts are not reasonably determinable

higher rate environment and post-pandemic trends. We continue to expect Commercial PCL to remain elevated in the coming quarters, reflecting the weaker Canadian economic backdrop and ongoing trade uncertainty. In the Retail portfolio, we saw higher losses this quarter in line with expectations, largely in the unsecured portfolios. While delinquencies across retail products remain elevated above historical levels, we are beginning to see stabilizing trends in early delinquencies.

To conclude, despite persistent uncertainty in the macroeconomic and policy environment, we remain confident in the overall quality, diversification and resilience of our portfolios. Our robust provisioning framework, prudent allowances and additional monitoring allow us to assess a wide range of potential outcomes and impacts to our portfolio. We continue to expect PCL on impaired loans to remain elevated for the next few quarters, in a similar overall range to what we've experienced over the first 3 quarters of the year, potentially offset by releases in performing allowances as credit outcomes improve. The likelihood, timing and direction of allowances and PCL will continue to be dependent on the extent and duration of tariffs; potential fiscal support and stimulus measures; along with the performance of labour markets, interest rates and real estate prices. As always, we continue to proactively manage risk through the cycle, and we remain well capitalized to withstand a broad range of macroeconomic and geopolitical outcomes.

With that, operator, let's open the lines for Q&A.

Note to users:

We measure and evaluate the performance of our consolidated operations and each of our segments based on a variety of financial measures, such as net income, ROE and non-GAAP measures and ratios, including pre-provision, pre-tax earnings, adjusted basis measures and measures excluding adjusting and various items. Certain financial metrics, including ROE and pre-provision, pre-tax earnings do not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions. We believe that certain non-GAAP measures and ratios are more reflective of our ongoing operating results and provide readers with a better understanding of management's perspective on our performance.

Additional information about our key performance measures and non-GAAP measures and ratios can be found under the “Key performance and non-GAAP measures” section of our Q3 2025 Report to Shareholders and 2024 Annual Report.

Definitions can be found under the “Glossary” sections in our Q3 2025 Supplementary Financial Information and our 2024 Annual Report.