



ROYAL BANK OF CANADA SECOND QUARTER RESULTS CONFERENCE CALL THURSDAY, MAY 28, 2026

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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 (U.S.) 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 U.S. Securities and Exchange Commission, 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, the Canadian economic outlook, our commitment to generating enterprise value from AI, our targeted dividend payout ratio, share buybacks, annual all-bank net income interest growth (excluding trading), portfolio mortgage spreads, all-bank expense growth, all-bank operating leverage, our targeted CET1 range, provisions on impaired loans and the impact of the conflict in the Middle East, U.S. tariffs, trade policy uncertainty and a shrinking population on economic risks. 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.

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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: 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 (including risks associated with the conflict in the Middle East), environmental and social risk, digital disruption and innovation, privacy and data related risks, regulatory changes, culture and conduct risks, credit, market, liquidity and funding, insurance, operational, compliance, reputation and strategic risks, other risks discussed in the risk sections of our 2025 Annual Report and the Risk management section of our Q2 2026 Report to Shareholders, including legal and regulatory environment risk, the effects of changes in government fiscal, monetary and other policies and tax risk and transparency, risks associated with escalating trade tensions, including protectionist trade policies such as the imposition of tariffs, risks associated with the adoption of emerging technologies, such as cloud computing, artificial intelligence (AI), including generative AI, and robotics, fraud risk 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 2025 Annual Report and the Risk management section of our Q2 2026 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 2025 Annual Report, as updated by the Economic, market and regulatory review and outlook section of our Q2 2026 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.

ASIM IMRAN, SENIOR 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, and Derek Neldner, Group Head, Capital Markets. 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

Thanks Asim, good morning everyone, and thank you for joining us.

Today, we reported earnings of \$5.5 billion and adjusted earnings of \$5.6 billion, our 2nd highest quarterly performance on record.

As you'll see on slide 4, pre-provision, pre-tax earnings were up 15 percent from last year, benefiting from strong revenue growth of 11 percent and all-bank operating leverage of over 3 percent. Our performance this quarter delivered a 17.2 percent return on equity on the foundation of a robust 13.5 percent Common Equity Tier 1 ratio. These results were underpinned by the strength of our diversified business model, benefiting from both a constructive environment for our market-related businesses and operating scale in our Canadian Personal Banking and Commercial Banking segments. Capital Markets

reported record net income reflecting strong performance in both Global Markets and Investment Banking. Wealth Management continued to report strong results across our North American advisory and asset management businesses. Personal Banking results were driven by an operating leverage of 3 percent and growth of money-in balances. Commercial Banking generated an ROE of over 17 percent.

Moving to slide 5. Starting with Capital Markets where Global Investment Banking improved their last 12-month market share to over 2 percent as we saw record levels of fee-based revenue from strong M&A advisory activity as well as debt and equity origination. In Global Markets, our ongoing investments in talent and technology are strengthening our Equities franchise, which also reported record revenue this quarter. Our strong FICC franchise also reported solid results. We also saw solid growth in our financing and transaction banking businesses as we continue to support our clients' growth aspirations. With the leading Canadian franchise as well as a top 10 ranked global business, we are in a great position to support and grow alongside key macro trends including AI, energy, digital infrastructure and aerospace & defence around the world.

In AI and related infrastructure, we advised CPPIB on its US\$4.2 billion acquisition of atNorth, a pan-Nordic data centre operator as well as acted as joint active bookrunner on Alphabet's \$8.5 billion inaugural maple senior unsecured notes offering, the largest bond offering ever in the Canadian market. In the Energy space, RBC acted as exclusive financial advisor to ARC Resources on their sale agreement with Shell in a transaction valued at \$22 billion. In the United States, RBC acted as joint lead bookrunner to Fervo Energy on their recent \$2.2 billion IPO.

Wealth Management continued to drive strong performance in a volatile environment. Clients are coming to us for trusted advice as they move money back into investments across our distribution network, including our full-service Dominion Securities and PH&N Investment Counsel channels, as well as through our Personal Banking network. Our leading Canadian Wealth Management business, with Assets Under Administration of over \$1 trillion, benefitted from both market appreciation as well as \$10 billion in net new assets this quarter. U.S. Wealth Management AUA of nearly US\$800 billion included US\$5 billion in net new assets this quarter and over US\$2 billion in recruited assets, benefiting from our continued advisor recruitment. Furthermore, credit and lending balances were up 16 percent from last year, reflecting growing demand from U.S. clients for our full-service capabilities. Loan growth in City National was also strong, up 9% YoY in U.S. dollars. RBC Global Asset Management Assets Under Management surpassed \$800 billion this quarter benefiting from leading mutual fund net sales as we continue to capture money in motion in our Canadian retail channels amidst changing client preferences.

In this context, the combined Personal Banking - Canada average deposits and AUA were up 5 percent or \$34 billion year-over-year, with spot Personal Banking AUA surpassing \$300 billion for the first time. We maintained very high retention rates as clients move between deposits and investments. As always, we're guided by doing what we think is right for them given interest rate and equity market conditions. Mortgage growth continued to be impacted by macro uncertainty and moderating house prices with funded volumes largely driven by an increase in switch activity. Importantly, approximately 90 percent of home equity balances had a multiproduct relationship.

Commercial Banking growth remains resilient despite facing two structural demand headwinds with Ontario seeing the greatest impact. Firstly, tariff-driven uncertainty is having a disproportionate impact on growth in trade-exposed sectors such as supply chain. Secondly, we continue to see moderating demand in Commercial Real Estate, particularly in condo development. Nonetheless, we have delivered 12 consecutive quarters of market share capture in lending balances as of last quarter. We are seeing growth in health care and other service-oriented sectors and regions, such as the Prairies. We are also beginning to see increased FX and cash management related activity.

I'll now shift to the macro environment. We are operating in a world of competing signals. Equity markets are hitting record highs driven in part by expectations of rising corporate profits in an AI-enabled future. At the same time, bond yields tell a different story—reflecting the risk of monetary tightening as inflation pressures build from both the direct and indirect impacts of the energy shock. Throughout this period of volatility, the Canadian economy has remained resilient with annualized GDP growth tracking at 1.7 percent in Q1 / 2026. Core inflation—excluding energy—has stayed broadly stable, and our own card spending data shows consumers are still spending in service-related sectors despite the energy

disruption. So far, weakness in tariff-exposed sectors has not spread to the broader economy, with growth seen in several sectors, including energy and agriculture. However, uncertainty remains elevated. The near-term outlook for Canada hinges on how CUSMA negotiations unfold and how long the Middle East conflict persists with impacts yet to be fully felt on input costs.

The outcome of these factors will have implications for client demand, supply chain stability and the direction of monetary policy. Looking further out, there are emerging opportunities that are creating optimism. We believe the resolution of CUSMA uncertainty, new trading relationships and the advancement of major nation-building projects can meaningfully expand the Canadian economic ecosystem—creating a multiplier effect over the near-to-medium term. RBC research¹ sheds light on an enormous opportunity for Canada. The country can become an energy superpower, strengthen its presence in the critical mineral supply chain, expand power infrastructure, and build a stronger strategic defense posture. We encourage policymakers and all levels of government to continue to work together to secure Canada's future prosperity.

As Canada's largest bank, we're well positioned to support that future—with a strong balance sheet and leading franchises. We've backed that commitment with action. We recently announced an Indigenous Advisory & Finance practice within RBC Capital Markets to help expand access to capital for Indigenous-owned major projects and investments. Beyond Canada, global fee pools have maintained their momentum as the macro environment continues to support growing corporate activity and strategic board room discussions. Our own Investment Banking pipeline remains healthy, in part due to our ongoing investments in talent to build bench strength in high-priority areas.

Moving to slide 6. We constantly strive to optimize long-term shareholder value through increased profitability, client-driven growth and returning capital to shareholders. We have increased our return on assets to approximately 90 basis points by executing against key strategic initiatives. We have increased our revenue productivity through our diversified fee-based businesses and by leveraging our technology and operational scale to improve cost efficiency all while continuing to grow our businesses. We have improved our U.S. region efficiency ratio from 83 percent in 2024 to 75 percent this quarter. We continue to make significant progress in bringing together our strong U.S. franchises as we drive towards our target of a regional efficiency ratio in the low-70s.

We are also committed to our bold ambitions when it comes to generating \$700 million to \$1 billion in enterprise value from AI. We've developed over 200 leading-edge AI models—rethinking how we operate, streamlining workflows, and delivering more hyper-personalized client experiences by leveraging our proprietary ATOM foundation model and our increasing data scale within our Lumina platform. Since fiscal 2025, LLM token usage has increased by over 500 percent, reflecting the speed at which AI is being integrated into daily workflows and critical business processes. Our digital assistant uses AI for intent detection and orchestration, navigating clients to digital capabilities or the best advisor across the network, allowing our people to focus on deepening client relationships.

We have also deployed AI to deliver significant time savings. An AI-powered search of policy and procedure articles to advisors is processing approximately 2 million searches per month. In Commercial Banking, our clients' financials are being ingested and spread using AI. AI is also accelerating how we're building our technology platform of the future. To date, AI has contributed to the development of over 24 million lines of code and facilitated over 120,000 code reviews. Given the importance of combining technology with talent, we continue to invest in our people to accelerate client-driven, profitable growth opportunities, which remains our priority. We are hiring senior talent in key sectors in Capital Markets, growing our advisor base across our North American wealth advisory businesses, while adding relationship managers across our commercial banking businesses in Canada and City National Bank.

Beyond these strategic investments, we remain committed to returning capital to shareholders in a balanced way. Our total payout ratio has increased from 51 percent in 2024 to 65 percent in the first half of 2026. This morning, we increased our dividend by 12 cents from last quarter, a 14 percent increase year-over-year as we look to drive our dividend payout ratio towards the mid-point of our 40-to-50

¹ RBC Thought Leadership research

percent medium-term objective. Buybacks remain an important avenue for returning capital to shareholders. We increased our buybacks to 7 million shares this quarter at an annualized pace of 2 percent of our common shares outstanding.

Furthermore, we announced our intention this morning, subject to relevant stock exchange and regulatory approvals, to commence a normal course issuer bid to repurchase for cancellation up to 45 million common shares. We plan to continue buying back our shares as we believe their intrinsic value remains higher than current valuations given the opportunities to improve both profitability and growth while maintaining a strong balance sheet in an uncertain environment. However, we remain disciplined and will look to optimize not only ROE and EPS growth, but also the compounding of our book value per share growth, which is also an important driver of long-term shareholder value.

And with that, Katherine, over to you.

KATHERINE GIBSON, CHIEF FINANCIAL OFFICER

Thanks Dave, and good morning everyone.

Starting with slide 8. This quarter, we reported strong results, with diluted Earnings Per Share of \$3.85. Adjusted diluted EPS of \$3.90 was up 25% from last year, reflecting solid revenue growth and all-bank operating leverage of 2%. FX trends, including U.S. dollar weakness, reduced earnings by \$85 million from last year, and earnings were sequentially impacted by three fewer days this quarter.

Turning to Capital on slide 9. The CET1 ratio of 13.5% was down 20 basis points from last quarter. Our strong ROE of 17.2% was underpinned by 75 basis points of internal capital generation this quarter. Net of both dividends and client-driven RWA growth, we generated 23 basis points of capital, which was mostly offset by repurchases of 7.4 million shares for approximately \$1.7 billion. Retail parameter changes, which we guided to in Q1, and the impact of market movements on OCI balances also had a modest negative impact.

Moving to slide 10. All-bank net interest income was up 6% from last year, reflecting volume growth and higher spreads. This was partly offset by lower purchase price adjustments or PPA related to the acquisition of HSBC Bank Canada. All-bank net interest margin was up 3 basis points from last quarter. All-bank NIM, excluding trading revenue was down 2 basis points sequentially including the impact of lower lending spreads in Capital Markets, which partly reflects the impacts of a shift in business mix, including a shift towards investment-grade loans. As a reminder, the cost of funding of certain transactions, particularly in Capital Markets, is recorded in interest expense, while related revenue is recorded in other non-interest income. This was particularly evident on a year-over-year basis this quarter. Canadian Banking NIM was flat relative to last quarter including a 4-basis points impact from lower HSBC Canada acquisition-related PPA and increased competitive pricing pressures for term deposits. These were offset by continued benefits from our structural hedges and seasonally higher spreads within our lending portfolio, which in the past has included items such as higher credit card revolve rates.

Moving to slide 11. Reported non-interest expense was up 8% from last year. Adjusted expense growth was 9%, of which approximately half was driven by higher variable compensation, consistent with higher revenues in Wealth Management and Capital Markets. The remainder of the increase was largely driven by a combination of growth-related initiatives, including higher salaries and other staff-related costs, as well as ongoing technology initiatives, marketing and business development. Legal provisions of \$84 million in Corporate Support also contributed to the increase. Our adjusted all-bank operating leverage of 2% helped lower our all-bank adjusted efficiency ratio by 1 percentage point from last year as we continued to focus on expense discipline. This includes optimizing our multi-channel distribution network and leveraging both digital and AI-driven initiatives across multiple workflows and businesses.

Moving to taxes. As per our guidance, the adjusted non-TEB effective tax rate of 22.5% largely reflected changes in earnings mix. I'll now turn to our Q2 segment results beginning on slide 12.

Personal Banking reported strong earnings of \$1.9 billion this quarter. Net income in Personal Banking – Canada was up 18% from last year. Revenue growth was 6%, benefiting from the strength of our leading scale and Money-In franchise as client balances shifted between core banking accounts, term deposits and our diverse investment offerings, including within our Wealth Management business. Net interest income was up 6% from last year, reflecting solid average volume growth and higher margins. Non-interest income was up 5% from last year, reflecting double-digit growth in mutual fund revenue, partly offset by lower service charges, including impacts from regulatory changes we guided to in Q1. Volatility in card service revenue also impacted the quarter. Operating leverage was a strong 4%, benefiting from continued expense management.

Turning to slide 13. Commercial Banking reported strong net income of \$854 million, up 43% from last year, which included elevated PCL on both performing and impaired loans. Pre-provision, pre-tax earnings were up 5% from last year, driven by higher net interest income growth reflecting higher volumes and a favourable deposit mix, as well as higher margins. Deposits increased 3% from last year, and flat sequentially, largely driven by higher non-maturity deposits, despite seasonally higher tax payment activity by our clients. Amidst continued tariff-related uncertainties, loans were up 3% from last year or 1% sequentially.

Turning to Wealth Management on slide 14. Net income of \$1.2 billion was up 28% from last year, reflecting strong revenue growth. Non-interest income was up 10%, reflecting higher fee-based client assets driven by market appreciation, particularly in North American equity markets, and net new asset growth. In RBC Global Asset Management, we continued to see positive retail net sales, with \$5.2 billion in long-term retail, largely distributed across Equity and Balanced mandates. This was partly offset by outflows in institutional mandates, which can be lumpy in nature. Transaction revenue, reflecting increased client activity in Canadian Wealth Management, also contributed to the increase. Net interest income was up 10% from last year benefitting from higher spreads, reflecting higher mortgage roll-on rates and loan growth in U.S. Wealth Management, including City National Bank. Canadian Wealth Management also contributed to the increase, reflecting deposit growth.

Turning to our Capital Markets results on slide 15. Record Net income of \$1.5 billion increased 23% from last year, underpinning a strong ROE of 14.8% and an efficiency ratio of 53.2%. Strong pre-provision, pre-tax earnings of \$1.8 billion was up 30% from last year, reflecting strong revenue growth. Global Markets revenue was up 16% from last year, reflecting continued momentum in cash equities and derivatives, and a rebound in credit trading from a challenging market backdrop last year. This was partly offset by market headwinds for rates trading in Europe this quarter. Corporate and Investment Banking revenue was a record, up 17% from last year. Investment Banking revenue was up 27% from last year and lending and Transaction Banking revenue was up 10%, driven by higher volumes.

Turning to slide 16. Insurance net income of \$218 million was up 3% from last year, reflecting strong insurance investment results from lower funding costs as well as lower expenses. This was partly offset by lower insurance service results on unfavourable claims experience, offset partly by the favourable impact of reinsurance contract recaptures. Premiums and deposits were up 17% from last year, reflecting strong segregated fund and group annuity sales.

Corporate Support reported a net loss of \$102 million. Segment net interest income and expenses represented a modest 2% and 1% of all bank results, respectively, underscoring our disciplined approach to transfer pricing and expense allocation. We are similarly disciplined when it comes to allocating capital internally, including a 12.1% capital attribution rate to our business segments, which we increased last year. We also allocate the leverage required to each business segments' attributed capital.

In conclusion, I will now spend a few minutes updating our outlook for the remainder of 2026.

We continue to expect annual all-bank net interest income growth (ex-trading) to be in the mid-single-digit range, including over \$250 million of lower PPA benefits. We expect portfolio mortgage spreads to be marginally higher by the end of 2026 as Roll-on spreads are expected to be slightly higher than Roll-off spreads. However, any changes in competitive intensity could provide headwinds. We also maintain our guidance of full-year all-bank expense growth in the mid-single-digit range and positive all-bank operating leverage, including higher variable compensation and costs associated with growth-related

initiatives and continued investments in our safety and soundness framework. Lastly, given the uncertain environment, we intend to maintain capital levels closer to the higher end of our targeted CET1 range while returning capital to shareholders through dividends and share buybacks.

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

GRAEME HEPWORTH, CHIEF RISK OFFICER

Great, thank you, Katherine, and good morning, everyone.

I will now discuss our allowances in the context of the current macroeconomic environment, evolving geopolitical tensions, and ongoing trade uncertainty. As Dave noted earlier, while North American economies continue to show resilience, we are also seeing soft underlying conditions, with geopolitical risks and trade uncertainties pushing inflation and interest rates risks higher, and posing potential headwinds to growth. Currently, our Canadian GDP growth and unemployment rate base case forecasts are little changed from last quarter. However, the base case is conditional on the conflict in the Middle East being resolved in the near-term, and the core of CUSMA largely remaining intact. While our base case outlook remains cautiously optimistic, the uncertainty around our forecasts has increased. As a result, we have incorporated a modest amount of additional severity into our downside macroeconomic scenarios. Furthermore, consistent with the last four quarters, we have also retained elevated weighting to our downside scenarios. These scenarios incorporate potential impacts from inflationary and geopolitical headwinds.

Turning to slide 18, we took a total of \$18 million or 1 basis point of provisions on performing loans this quarter. This was driven by unfavourable macroeconomic impacts, which were partially offset by changes in credit quality, and updates to our retail models.

Moving to slide 19, gross impaired loans of \$9.8 billion increased by \$623 million or 4 basis points from last quarter, primarily driven by Capital Markets and Wealth Management. In Capital Markets, impaired loans increased by \$321 million, driven by formations across a few sectors, including Real Estate, Forest Products and Consumer Discretionary. The increase in real estate is predominantly driven by one larger commercial real estate file in the US. In Wealth Management, impaired loans have increased by \$224 million, predominantly in City National, and driven by names in Utilities, Real Estate and Other Services sectors, as well as our consumer mortgage portfolio. Recall, that in the first quarter of 2025, we had increased performing provisions on select mortgages at City National, due to the California wildfires. This quarter, we have identified a small subset of higher-risk clients, most of which were subject to deferral programs, that we have now moved into impaired status. While impaired loans remain elevated, new formations² decreased QoQ across most segments, including Capital Markets.

Turning to slide 20, PCL on impaired loans of 34 basis points or \$899 million was down \$169 million or 6 basis points quarter-over-quarter, reflecting lower provisions across Capital Markets, Personal Banking, and Commercial Banking. In Capital Markets PCL on impaired provisions totalled \$113 million, down \$132 million quarter-over-quarter, due to the absence of any larger losses on new individual impairments, partially offset by incremental provisions on some existing impaired names. In Personal Banking, PCL on impaired loans totalled \$488 million or 36 basis points, down \$28 million quarter-over-quarter driven by lower provisions in Residential Mortgages and Personal loans, partially offset by higher provisions in Credit Cards. The Credit Cards portfolio in particular has seen a sustained increase in PCL over the last few quarters, driven by regional pressures, particularly in Ontario. In Commercial Banking, PCL on impaired loans totalled \$246 million or 53 basis points, down \$27 million quarter-over-quarter. While we saw a reduction in new provisions, impairments remain elevated due to softer economic conditions in Canada, especially in economically sensitive sectors and regions. In Wealth Management, PCL on

² 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

impaired loans totalled \$52 million or 16 basis points, up \$18 million quarter-over-quarter, with new provisions in both the Utilities and Other sectors.

To conclude, while we are pleased with the credit performance this quarter, we continue to have a cautious outlook on credit. For the Canadian economy, we are seeing signs of stabilization, and we expect to see continued modest economic growth. Sectors exposed to U.S. demand have experienced job losses, but those losses have not spread to the broader economy. Internally, credit indicators have generally been stable or improving. This includes stabilizing delinquency rates across most retail products, as well as moderate improvements in wholesale indicators, such as watchlist exposure, and files moving to our workout team. In terms of the external environment, headwinds from the conflict in the Middle East, U.S. tariffs, trade policy uncertainty and a shrinking population will likely keep economic risks elevated. Despite heightened uncertainty, we remain confident in the overall quality, diversification and resilience of our portfolios. Our robust provisioning framework, and monitoring, allow us to assess a wide range of potential outcomes and impacts to our portfolio. We continue to expect our full-year 2026 provisions on impaired loans to remain within the range we previously guided to.

And now back to Dave.

DAVE MCKAY, PRESIDENT & CHIEF EXECUTIVE OFFICER

Thanks Graeme.

To close, we continue to execute against our strategic priorities and look to drive improvements in our profitability metrics while deploying capital for client-driven growth and returning capital to shareholders.

Our underlying strength is built on a foundation of a strong brand, a robust balance sheet and a OneRBC diversified business model where we have leading scale in our home market while having a diversified footprint at scale beyond Canada. This combination has underpinned the resilience of our earnings through several shocks over the recent cycle, generating an average ROE of 16% from 2020 onwards and over 17% over the last 12 months.

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 Q2 2026 Report to Shareholders and the 2025 Annual Report.

Definitions can be found under the "Glossary" sections in our Q2 2026 Supplementary Financial Information and our 2025 Annual Report.

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