

Address to Shareholders

by

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to the

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Royal Bank of Canada

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(Check against delivery)



CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, we make written or oral forward-looking statements within the meaning of certain securities laws, including the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. We may make forward-looking statements in this address to shareholders from the 156th Annual and Special Meeting of Common Shareholders of Royal Bank of Canada (address to shareholders), in filings with Canadian regulators or the 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 address to shareholders include, but are not limited to, statements relating to our financial performance objectives, priorities, vision and strategic goals, our medium-term objectives for our financial performance metrics, our target for enterprise value from AI and our commitment to community investments. The forward-looking statements contained in this address to shareholders 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”, “expectation”, “aim”, “achieve”, “strive”, “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 2024 Annual Report and the Risk management section of this Q1 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 this Q1 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 address to shareholders are set out in the Economic, market and regulatory review and outlook section and for each business segment under the Strategic priorities and Outlook headings in our 2024 Annual Report, as updated by the Economic, market and regulatory review and outlook section of this Q1 2025 Report to Shareholders. Such sections may be updated by subsequent quarterly reports. Any forward-looking statements contained in this address to shareholders 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 this Q1 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 address to shareholders. All references in this address to shareholders to websites are inactive textual references and are for your information only.

Good morning, everyone.

Peu importe d'où vous nous écoutez, je tiens à vous remercier pour votre présence aujourd'hui, ainsi que pour la confiance continue et le soutien que vous apportez à RBC.

We're more energized than ever by our Purpose to "help clients thrive and communities prosper."

This is what guides our strategy, shapes our culture and inspires our more than 98,000 employees to provide ideas and trusted advice to 19 million clients around the world.

We create value by listening to the clients who put their trust in us and building products and services that anticipate their needs and help them make better decisions.

Our people bring that same unwavering commitment of excellence to making a meaningful and positive difference in our communities.

To continue being one of the world's most trusted and successful organizations, we must stay ahead of where our clients are going.

Expectations of RBC are high, so we have to work hard to exceed them.

Our bold ambition for the future starts from a position of significant financial and strategic strength.

We have a diversified business model across segments and geographies, technology and data scale, a strong balance sheet, a trusted brand that's number one in Canada and a top brand globally, and a proven ability to execute with excellence.

We also have strong governance and a prudent approach to risk management that's designed to navigate uncertainty and protect our clients through all economic cycles.

In a rapidly changing and more complex economy, we will continue to build a future-focused bank that can be a pillar of strength and a beacon of hope for all of our stakeholders.

This ambition helped us drive the business momentum and outperformance that we delivered in 2024.

We're coming off a truly remarkable year where we brought the full power of RBC together in unprecedented ways.

We generated record earnings of \$16.2 billion and a Return on Equity of 14.4 per cent as we continued to deepen client relationships and build new ones across all our market-leading franchises.

We also returned \$8.1 billion to our shareholders through common dividends and share buybacks, all of which enabled RBC to outperform in Total Shareholder Return over three, five and 10 years against our global peer average.

One of the year's defining moments was the completion of our acquisition of HSBC Bank Canada—a technological feat where we integrated nearly 800,000 clients and thousands of employees in a single weekend.

This once-in-a-generation opportunity has helped us take our global banking capabilities to the next level.

At the same time, we launched a bold new U.S. cash management platform with RBC Clear and implemented a new operating model to bring our U.S. businesses closer together to maximize the value we're bringing to clients.

It's amazing to look back at all the transformational work we successfully accomplished last year to become a more globally connected bank.

But I'm most proud that we did all of it, while outperforming in the core bank and never losing focus on our existing clients.

That's a credit to what RBC and our incredible people can do. And I'm so proud of them.

With this strong success and significant momentum, we entered our fiscal year at the top of our game.

In our first quarter, we reported very strong earnings of \$5.1 billion, up 43 per cent from last year, with a premium ROE of 16.8 per cent.

These results, once again, reflect strong client-driven growth across each of our business segments.

Looking ahead, we remain confident in RBC's growth trajectory and the strength and diversification of our client franchises.

In the world around us, we're seeing some of the biggest changes to global trade since the 1930s.

The implementation of global tariffs could impact jobs and may hurt affordability for workers and families everywhere, and many small and mid-sized businesses will be put at risk as the cost of doing business goes up.

As we navigate the weeks and months ahead, I want you to know that our bank has the financial resilience and expertise to help our clients navigate difficult and uncertain economic times—just as we did during the pandemic.

We're here to support you.

In our home market, Canada now has an unprecedented opportunity to build a better and more prosperous future, and to get some big things done that it couldn't do before.

The world wants what Canada can provide in great abundance. Canada can feed and fuel the growing world, and be a leader in sectors like energy, agriculture, critical minerals, advanced manufacturing and technology.

To do this, Canada must build a more resilient economy that leverages its strengths.

That means eliminating barriers to growth and productivity.

Getting energy and infrastructure projects approved more quickly.

Supporting home-grown talent and the incredible educational institutions in the country.

And unlocking more capital to scale our best engines of economic growth.

I believe this is the moment to unite the country behind a long-term economic agenda that boosts competition and drives prosperity for all.

Throughout our almost 160-year history, RBC's strength has been our ability to not only manage through change, but also to help our stakeholders capitalize on the opportunities change can bring.

That's never been more important than today.

As we shared at our recent Investor Day, we're committed to delivering on an even bolder growth ambition over the next three years.

You heard us clearly articulate our plan to compete and win across our biggest client opportunities and accelerate our ambitions.

That includes extending our leadership in Canada while expanding in global fee pools, increasing investments in technology to create value from our leading data scale and AI and continuing our focus on disciplined and prudent growth while bringing the best of RBC to our clients.

Underpinning each of these areas are our medium-term objectives.

That includes a premium return on equity of 16 per cent plus, diluted earnings per share growth of seven per cent plus, strong capital ratios and a dividend payout ratio between 40 and 50 per cent.

We believe our client segments, the geographies we target, and our risk strategy are all aligned to deliver on these objectives—through all economic cycles.

That's our investor thesis and we'll continue to build a bank that delivers on that promise.

Before I close, I want to share a few things that continue to set us apart.

In Canada, we're the leading bank, with the number one market share in Personal Banking, Commercial Banking, Wealth Management, Asset Management and Capital Markets, and an Insurance business with significant momentum.

Much of our success comes down to the meaningful value we create, whether that's helping consumers save through strategic partnerships and the Avion Rewards loyalty program, or the market-leading advice we provide to our globally connected business clients.

Beyond Canada, our ambition is greater than it's ever been.

In the U.S.—our second home market—we have very strong standalone franchises across Capital Markets, Wealth Management, as well as both private and commercial banking, including City National.

And across some of the world's largest asset pools, we're focused on enhancing our client value proposition by expanding banking and wealth planning solutions in both the U.S. and Europe.

Looking ahead, we're preparing for a world where our client interactions are increasingly informed by AI and data-backed insights, and we're proud to be recognized as a top three bank in the world for AI maturity.

Our technology investments are a key competitive advantage for us as we deliver more personalized digital experiences and advice to our clients.

We expect these investments will continue to power our business results, and we're backing that up with bold ambition to generate up to \$1 billion in enterprise value from AI by 2027.

While there are still untapped opportunities, I truly believe there's no other large bank in the world that delivers the differentiated client value and experiences that we do at scale.

At RBC, we've always believed that our clients' ability to thrive relies on our communities' ability to prosper. RBC's long-term success depends on both.

I'm proud that we've announced a commitment of \$2 billion in community investments by 2035 to support ideas that help seed, scale and sustain solutions in three key areas: supporting the transition to a low carbon economy, equipping people with the skills for a thriving future and driving more equitable opportunities for prosperity.

Alongside these initiatives, our colleagues contributed a record-breaking \$30.2 million in personal donations last year, supporting charities around the world.

The lasting and positive impact we continue to make in our communities is a hallmark of Team RBC, and I'm always so proud to share these results.

To our shareholders and clients, thank you again for the trust you place in RBC.

And to our employees from around the world, thank you for your hard work, dedication, and commitment to our Purpose.

And with that, we're looking forward to taking your questions.