

Royal Bank of Canada Investor Presentation

Q3/2021

All amounts are in Canadian dollars unless otherwise indicated and are based on financial statements prepared in compliance with International Accounting Standard 34 Interim Financial Reporting, unless otherwise noted. Our Q3 2021 Report to Shareholders and Supplementary Financial Information are available on our website at <http://www.rbc.com/investorrelations>.



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 presentation, in other filings with Canadian regulators or the SEC, in reports to shareholders, and in other communications. Forward-looking statements in this presentation include, but are not limited to, statements relating to our financial performance objectives, vision and strategic goals, and the potential continued impacts of the coronavirus (COVID-19) pandemic on our business operations, financial results and financial condition, and on the global economy and financial market conditions, including projected economic indicators for 2020 with respect to Canada, the United States and the Euro Area. The forward-looking information contained in this presentation is presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented, as well as our financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as “believe”, “expect”, “foresee”, “forecast”, “anticipate”, “intend”, “estimate”, “goal”, “plan” and “project” and similar expressions of future or conditional verbs such as “will”, “may”, “should”, “could” or “would”.

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our financial performance objectives, vision and strategic goals will not be achieved. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include: credit, market, liquidity and funding, insurance, operational, regulatory compliance (which could lead to us being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties and fines), strategic, reputation, legal and regulatory environment, competitive and systemic risks and other risks discussed in the risk sections and Significant developments: COVID-19 section of our annual report for the fiscal year ended October 31, 2020 (the 2020 Annual Report) and the Risk management and Impact of COVID-19 pandemic sections of our Q3 2021 Report to Shareholders; including business and economic conditions, information technology and cyber risks, Canadian housing and household indebtedness, geopolitical uncertainty, privacy, data and third party related risks, regulatory changes, environmental and social risk (including climate change), and digital disruption and innovation, culture and conduct, the business and economic conditions in the geographic regions in which we operate, the effects of changes in government fiscal, monetary and other policies, tax risk and transparency, environmental and social risk, and the emergence of widespread health emergencies or public health crises such as pandemics and epidemics, including the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business operations, and financial results, condition and objectives.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Material economic assumptions underlying the forward looking-statements contained in this presentation 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 2020 Annual Report, as updated by the Economic, market and regulatory review and outlook and Impact of COVID-19 pandemic sections of our Q3 2021 Report to Shareholders. Except as required by law, we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.






Additional information about these and other factors can be found in the risk sections and Significant developments: COVID-19 section of our 2020 Annual Report and the Risk management and Impact of COVID-19 pandemic sections of our Q3 2021 Report to Shareholders.

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

About RBC



The RBC story

 Diversified business model, scale and leading client franchises	<ul style="list-style-type: none"> Well-diversified across businesses, geographies and client segments Able to capitalize on opportunities created by changing market dynamics and economic conditions Wide breadth of products and capabilities to meet our clients' financial needs and build deep, long-term relationships
 Market leader with a focused growth strategy	<ul style="list-style-type: none"> Market leader in Canada and one of the largest financial institutions globally⁽¹⁾ Clear strategy for continued long-term growth in Canada, the U.S. and select global markets
 Financial strength underpinned by prudent risk and cost management	<ul style="list-style-type: none"> Track record of earnings and dividend growth while maintaining a disciplined approach to risk and cost management Credit ratings amongst the highest globally Strong capital position and a high-quality liquid balance sheet
 Innovation is in our DNA	<ul style="list-style-type: none"> Long history of innovation and proven ability to adapt to industry trends Investments in technology allow us to drive efficiencies and deliver an exceptional client experience Focused on simplifying, digitizing and personalizing our products to make it easier for clients and employees to do business, and to lower costs
 Leading corporate citizen	<ul style="list-style-type: none"> Delivering signature programs with measurable social and environmental outcomes Committed to accelerating clean economic growth – contributed \$73.3 billion in 2020 towards our \$500 billion sustainable financing target by 2025 to help support the net-zero transition Expanded ESG reporting suite: RBC's 2020 Enterprise D&I Statement of Performance, second stand-alone TCFD⁽²⁾ Report, our first Human Rights Position Statement and updated our SASB⁽³⁾ Index (found as an Appendix in the 2020 ESG Performance Report, page 70-76). Powered by our technology partner, FutureFit AI, RBC Upskill is assisting youth in self-discovering their career possibilities and potential by providing tailored advice on an ongoing basis, aligned to their confidentially-inputted skills, interests, and experiences \$142 million given globally in 2020 through cash donations and community investments, including support to mitigate the economic impact of COVID-19 Our annual Employee Giving campaign went virtual in 2020 with 82% of employees participating in raising \$23 million for over 5,000 charities across Canada Continued to invest in skills development and mentoring programs through RBC Future Launch to create meaningful opportunities for 25,000 Black, Indigenous and People of Colour (BIPOC) youth, and partnered with Black Professionals in Tech Network (BPTN) to create the largest pipeline of young, early-career Black tech talent in Canadian history Committing up to \$10 million annually through RBC Tech for Nature, in support of universities and charities that are developing technology solutions to address climate change and related environmental issues

(1) Based on market capitalization as of July 31, 2021. (2) Task Force on Climate-related Financial Disclosures. (3) Sustainability Accounting Standards Board.

Market leader with a focused strategy for growth

Largest in Canada⁽¹⁾

A market leader across all key businesses

Top 10 Globally⁽¹⁾

One of the 10 largest global banks by market capitalization with operations in 29 countries

17 Million Clients

Served by 88,000+ employees worldwide

Purpose

Help clients thrive and communities prosper

Vision

To be among the world's most trusted and successful financial institutions

Strategic Goals



In Canada: To be the undisputed leader in financial services



In the United States: To be the preferred partner to corporate, institutional and high net worth clients and their businesses

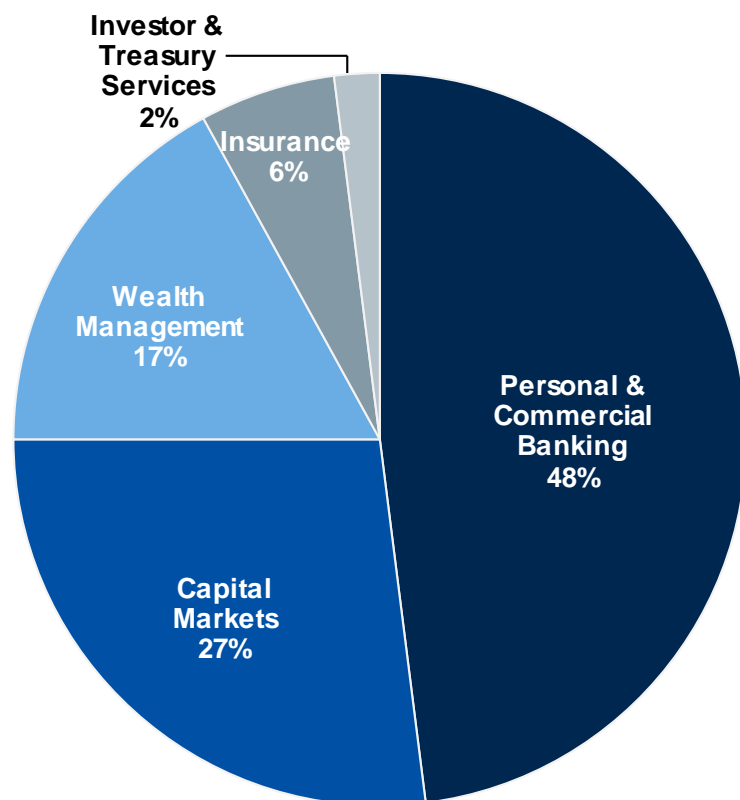


In Select Global Financial Centres: To be a leading financial services partner valued for our expertise

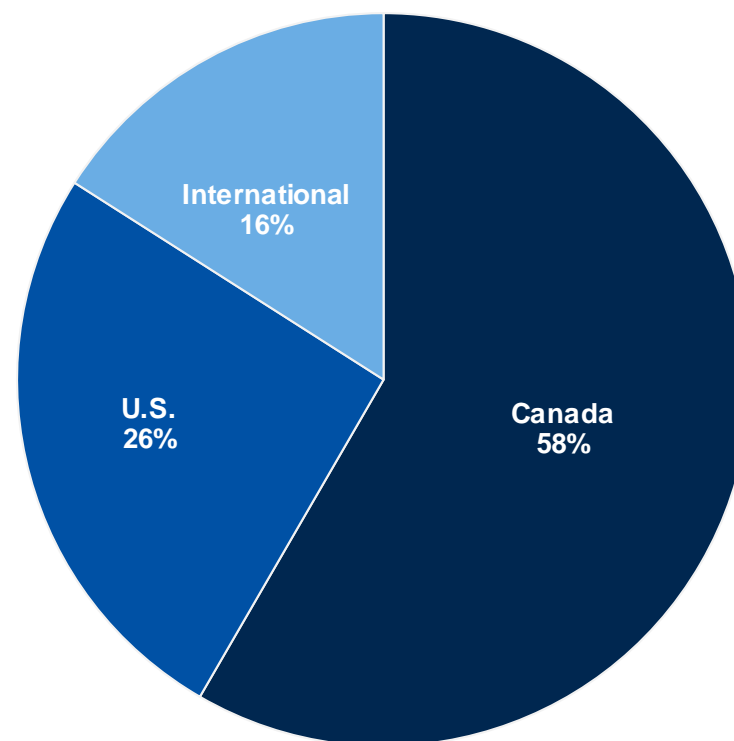
(1) Based on market capitalization as at July 31, 2021.

Diversified business and geographic model with client-leading franchises

Earnings by Business Segment⁽¹⁾
Latest twelve months ended July 31, 2021



Revenue by Geography
Latest twelve months ended July 31, 2021



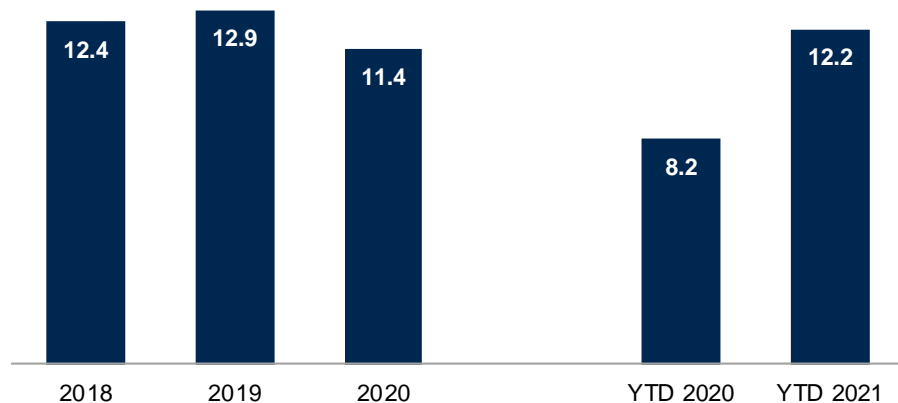
(1) Amounts exclude Corporate Support. These are non-GAAP measures. For more information, refer to Results by business segment section of our 2020 Annual Report and slide 59.

Strong financial profile

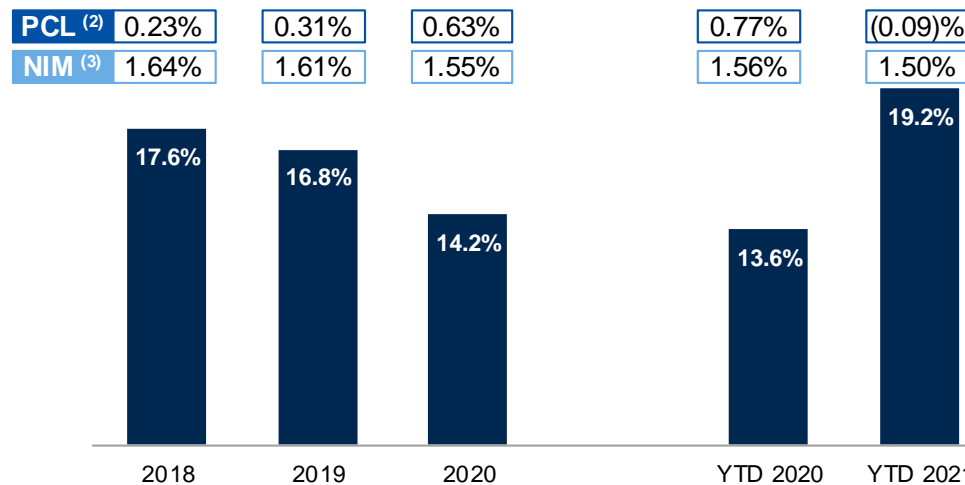
Maintaining a strong capital position with a disciplined approach to risk

Resilient Earnings

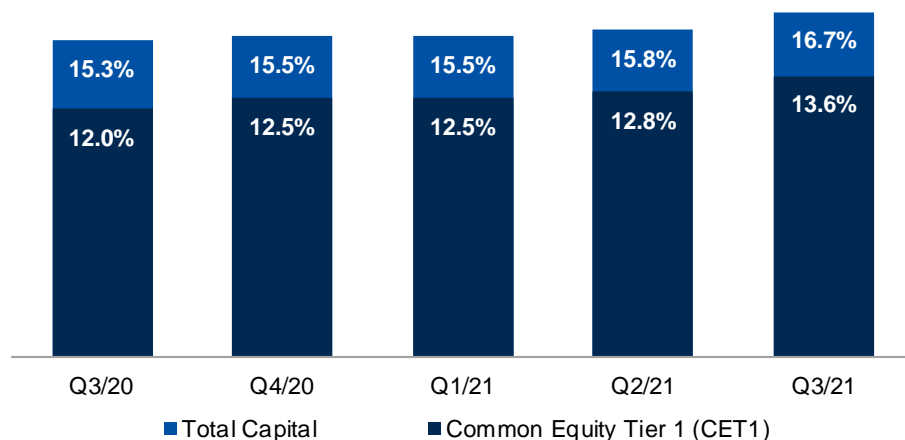
Net income (\$ billions)



Premium Return on Equity⁽¹⁾



Strong Capital Position



Strong Leverage and Liquidity Ratios

Leverage Ratio 5.0%

Liquidity Coverage Ratio 125%

Credit Ratings Amongst the Highest Globally

	Moody's	S&P	DBRS	Fitch
Legacy senior long-term debt ⁽⁴⁾	Aa2	AA-	AA (high)	AA
Senior long-term debt ⁽⁵⁾	A2	A	AA	AA-
Outlook	Stable	Stable	Stable	Stable

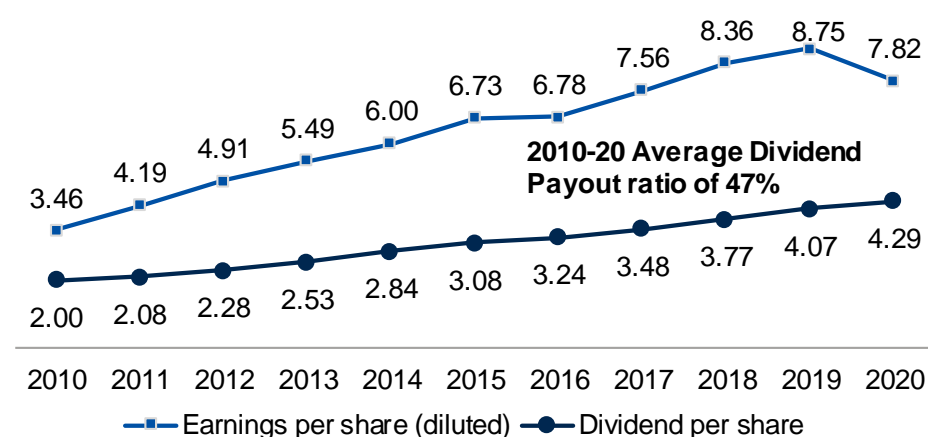
(1) Return on Equity (ROE). This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section of Q3 2021 Report to Shareholders. (2) Provision for credit losses (PCL) on loans as a % of average net loans and acceptances. (3) Net interest margin (NIM) (average earning assets, net). (4) Ratings (as at August 24, 2021) for senior long-term debt issued prior to September 23, 2018 and senior long-term debt issued on or after September 23, 2018, which is excluded from the Canadian Bank Recapitalization (Bail-in) regime. (5) Ratings (as at August 24, 2021) for senior long-term debt issued on or after September 23, 2018 which is subject to conversion under the Bail-in regime.

Track-record of delivering value to our shareholders

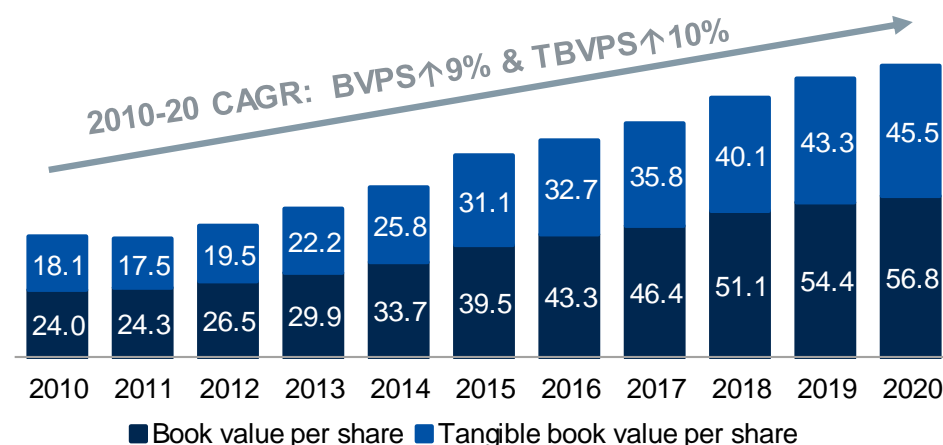
Financial performance objectives measure our performance against our goal of maximizing total shareholder returns

Medium-Term Objectives				Average as of F2020 ⁽¹⁾	
				3-Year	5-Year
Profitability	Diluted EPS growth	7%+	✗	1%	3%
	ROE ⁽²⁾	16%+	✓	16.2%	16.4%
Capital Management	Capital ratios (CET1 ratio)	Strong	✓	12.0%	11.6%
	Dividend payout ratio	40% – 50%	✓	49%	48%

Dividend⁽³⁾ and Earnings⁽⁴⁾ per Share (\$): 2010-20 CAGR ↑8%



Tangible Book Value & Book Value Per Share (\$)⁽⁴⁾



Achieved Solid TSR⁽⁵⁾ Performance

	3-Year	5-Year	10-Year	20-Year
RBC	12%	14%	14%	12%
Peer Average	8%	12%	12%	10%

(1) Diluted EPS growth is calculated using a Compound Annual Growth Rate (CAGR). ROE, CET1 and dividend payout ratio are calculated using an average. (2) ROE. This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section of Q3 2021 Report to Shareholders. (3) Dividends declared per common share. Our current quarterly dividend is \$1.08. (4) EPS, TBVPS and BVPS for 2010 were determined under Canadian Generally Accepted Accounting Policies (CGAAP) framework. TBVPS is calculated as common equity excluding goodwill and other intangibles divided by common shares outstanding. (5) Annualized TSR is calculated based on the TSX common share price appreciation plus reinvested dividend income. Source: Bloomberg, as at July 31, 2021. RBC is compared to our global peer group. The peer group average excludes RBC; for the list of peers, please refer to our 2020 Annual Report.

Business Segments

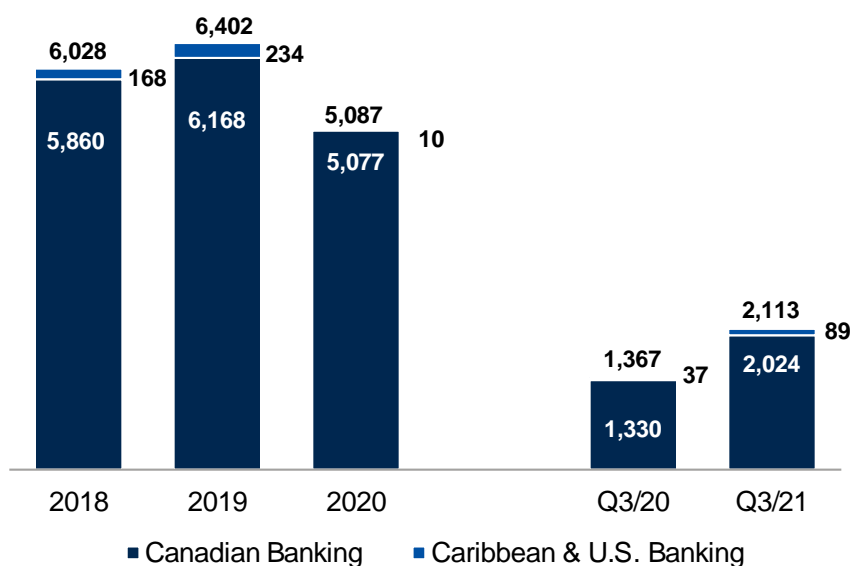
Personal & Commercial Banking

- The financial services leader in Canada
 - #1 or #2 market share in all key product categories
 - Most branches and one of the largest mobile sales networks across Canada
 - Superior cross-sell ability
- In 9 countries and territories in the Caribbean
 - 3rd largest bank by assets⁽¹⁾ in English Caribbean
- Innovative direct banking to U.S. cross-border clients
- Ongoing investments to digitize our banking channels

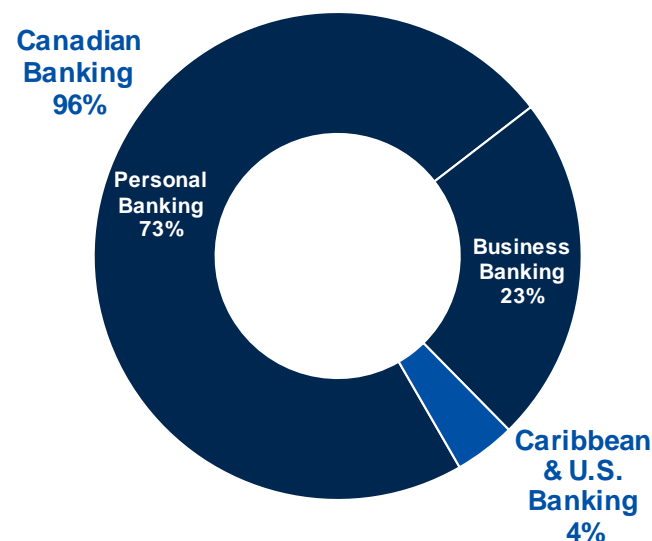
Q3/2021 Highlights

Clients (MM)	14+
Branches	1,228
ATMs	4,298
Active Digital (Online and Mobile) Users ⁽²⁾ (MM)	7.9
Employees (FTE)	36,775
Net Loans & Acceptances ⁽¹⁾ (\$BN)	509.3
Deposits ⁽¹⁾ (\$BN)	507.6
AUA ⁽³⁾ (\$BN)	356.1

Net Income (\$ millions)



Revenue by Business Line⁽⁴⁾







(1) Based on average Balances. (2) This figure represents the 90-day active customers in Canadian Banking only. (3) AUA represents period-end spot balances and includes securitized residential mortgages and credit card loans as at July 31, 2021 of \$14.6 billion and \$2.9 billion, respectively (April 30, 2021 of \$15.0 billion and \$2.9 billion; July 31, 2020 of \$16.2 billion and \$6.7 billion). (4) For the quarter ended July 31, 2021.

Personal & Commercial Banking

Strategic Priorities – *Building A Digitally-Enabled Relationship Bank™*

Transform How We Serve Our Clients	<ul style="list-style-type: none"> ▪ Make it easier for clients to access products and services digitally ▪ Create capacity and capability to focus on advice, complex servicing and sales, and problem resolution ▪ Focus on innovating our branch network
Accelerate Client Growth	<ul style="list-style-type: none"> ▪ Grow commercial market share through industry-specific credit strategies ▪ Target high-growth retirement segment and business succession planning ▪ Continue to increase client acquisitions including key segments: high net worth, newcomers and students and young adults while deepening existing client relationships
Rapidly Deliver Digital Solutions	<ul style="list-style-type: none"> ▪ Continue to deliver leading digital capabilities and functionality through our award-winning mobile app ▪ Create partnerships to innovate, making it easier to bank with RBC ▪ Invest in research and development to understand and meet rapidly changing client expectations
Innovate to Become a More Agile and Efficient Bank	<ul style="list-style-type: none"> ▪ Accelerate investments to simplify, digitize and automate for clients and employees ▪ Change or eliminate products and processes that do not add economic or client value ▪ Invest in employees to enhance digital, agile and change capabilities

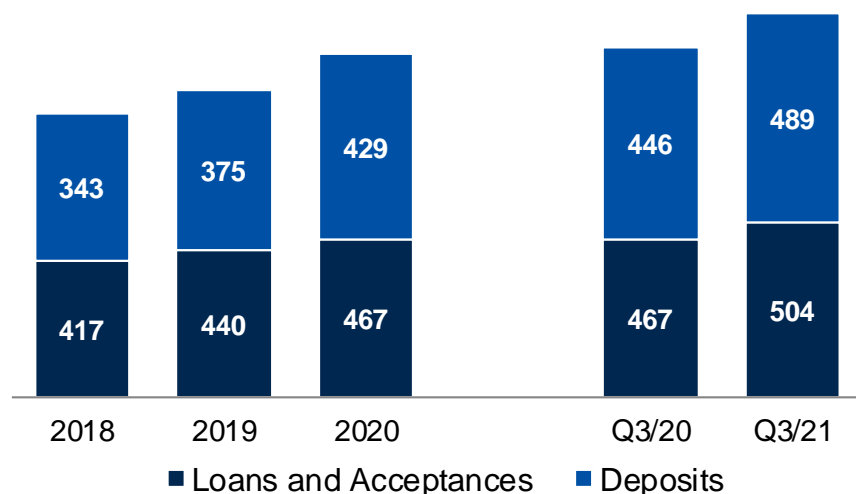
Recent Awards

 <p>North American Retail Bank of the year for the 3rd consecutive year; Best Latin/Caribbean Bank of the Year; Best Loyalty and Rewards Strategy for the 2nd consecutive year⁽¹⁾</p>	 <p>Highest in Customer Satisfaction Among the Big Five Retail Banks for a second consecutive year, a position RBC has now held for 5 out of the past 6 years⁽²⁾</p>	 <p>RBC won 10 out of 11 Ipsos Financial Service Excellence Awards among the Big 5 Banks, including Customer Service Excellence⁽³⁾</p>	 <p>RBC received multiple awards from Celent for our leadership in digitally onboarding clients and transforming business payments; the awards follow our 2020 global recognition as Celent Model Bank of the Year⁽⁴⁾</p>
---	--	--	---

(1) Retail Banker International, 2020. (2) J.D. Power, 2021. (3) Ipsos, 2020. (4) Celent Model Bank, 2021.

Personal & Commercial Banking – Canadian Banking

Solid Volume Growth (\$ millions)⁽¹⁾

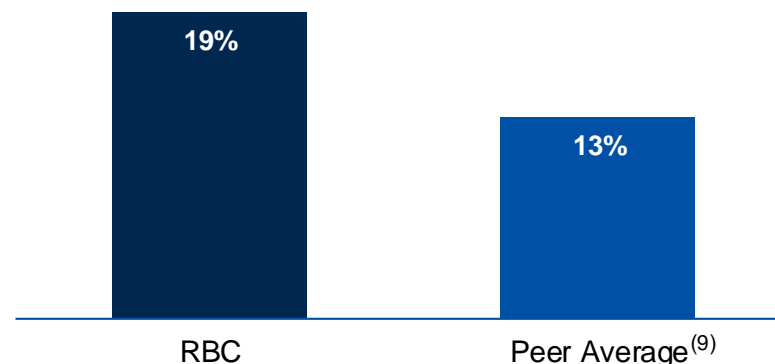


#1 or #2 Market Share in All Key Categories⁽³⁾

Product	Market share	Rank
Personal Lending ⁽⁴⁾	24.5%	1
Personal Core Deposits + GICs	20.4%	2
Credit Cards ⁽⁵⁾	28.3%	1
Long-Term Mutual Funds ⁽⁶⁾	32.1%	1
Business Loans (\$0-\$25MM) ⁽⁷⁾	26.2%	1
Business Deposits ⁽⁸⁾	24.9%	1

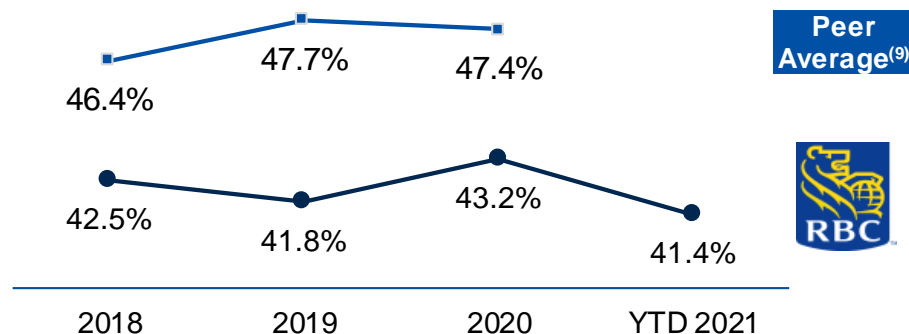
Superior Cross-Sell Ability

Percent of clients with transaction accounts, investments, borrowing and Credit Card products⁽²⁾



Continued Efficiency Improvements While Investing For Growth

NIE CAGR ⁽¹⁰⁾		FTE CAGR ⁽¹¹⁾	
RBC	Peer Average	RBC	Peer Average
3%	2%	1%	-1%

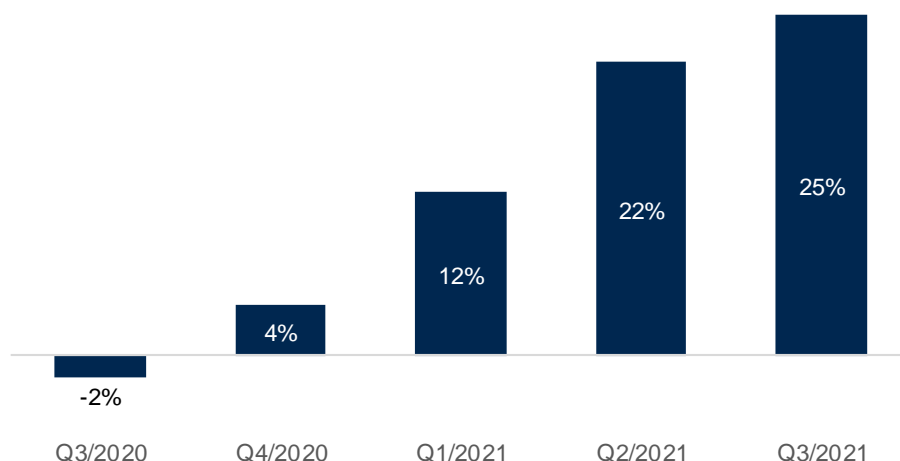


(1) Based on average balances. (2) Canadian Financial Monitor by Ipsos – 18,000 Canadian individuals – data based on Financial Group results for the 12-month period ending July 2021; Cross-sell calculation methodology has been updated from previous quarters since Q2/19. TFSA is considered an Investment. Peers include BMO, BNS, CIBC and TD. (3) Market share is calculated using most current data available from OSFI (M4), Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA), and is at April 2021 and February 2021 except where noted. Market share is of total Chartered Banks except where noted. (4) Personal Lending market share of 6 banks (RBC, BMO, BNS, CIBC, TD and NA) and includes residential mortgages (excl. acquired portfolios) and personal loans as at February 2021, excludes Credit Cards. (5) Credit cards market share is based on 6 banks (RBC, BMO, BNS, CIBC, TD and NA) as at February 2021. (6) Long-term mutual fund market share is compared to 7 banks (RBC, BMO, BNS, CIBC, TD, NA, and HSBC) and is at April 2021. (7) Business Loans market share is of 6 Chartered Banks (RBC, BMO, BNS, CIBC, TD and NA) on a quarterly basis and is as of December 2020. (8) Business Deposits market share excludes Fixed Term, Government and Deposit Taking Institution balances. (9) Peers include BMO, BNS, CIBC and TD; 2018 through 2020 reflects annual numbers. (10) Non-interest expense representing 2.5 year CAGR. (11) Number of employees (full-time equivalent) representing 2.5 year CAGR.

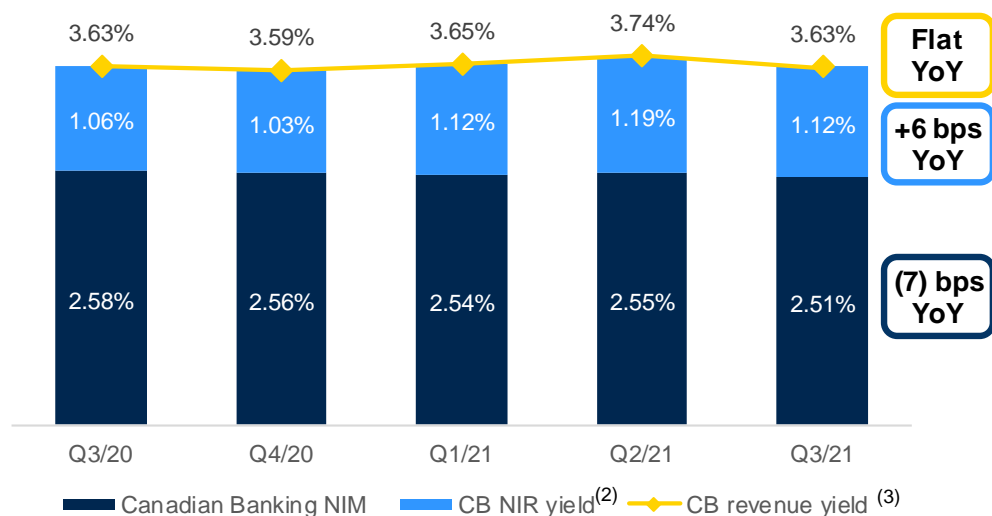
Canadian Banking – Increasing client flows into mutual funds

- Increasing portion of net retail inflows have been invested into mutual funds
 - Inflows into mutual funds largely from savings accounts, chequing accounts and GICs
- Canadian Banking's diversified fee-based revenue streams and improving credit quality have helped to offset the impact of lower net interest margin
 - Higher mutual fund distribution fees have driven higher non-interest income in Canadian Banking
 - Higher securities brokerage commissions, service charges, foreign exchange revenue and card service revenue reflecting increased client activity have also benefitted overall Canadian Banking revenue yields

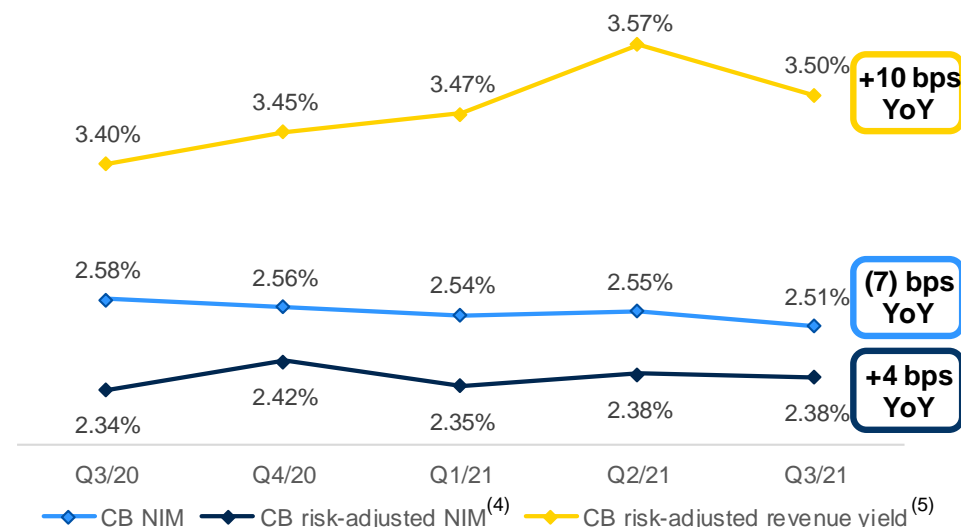
% of total client net flows⁽¹⁾ into mutual funds (Based on cumulative net flows since Q3/2020)



Stable revenue yield despite lower interest rates



Higher risk-adjusted NIM and revenue



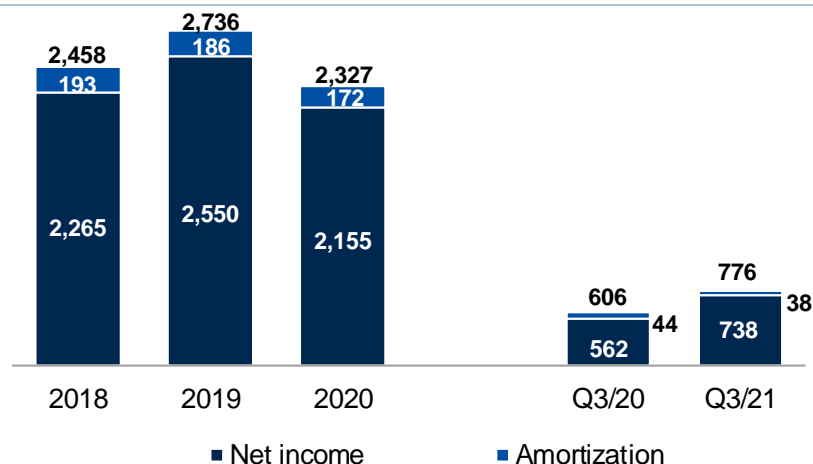
⁽¹⁾ Total client net flows include chequing, savings, and GIC deposits as well as net flows into Direct Investing and mutual funds. ⁽²⁾ CB NIR Yield is defined as Canadian Banking non-interest income divided by average earning assets. ⁽³⁾ CB Revenue Yield is defined as Canadian Banking total revenue divided by average earning assets. ⁽⁴⁾ CB Risk-adjusted NIM is defined as Canadian Banking net interest income less PCL on impaired loans divided by average earning assets. ⁽⁵⁾ CB Risk-adjusted revenue yield is defined as Canadian Banking revenue less PCL on impaired loans divided by average earning assets. (2-5) These metrics do not have a standardized meaning and may not be comparable to similar measures disclosed by other financial institutions. For more information, see slide 59.

Wealth Management

Strategic Priorities

- **Global Asset Management:** Deliver investment performance and extend leadership position in Canada, while continuing to build and grow in the US and EMEA/APAC
- **Canadian Wealth Management:** Continue to deepen client relationships and deliver a differentiated client experience that is increasingly digitally-enabled and supported by data-driven insights
- **U.S. Wealth Management:** Leverage the combined strengths of City National Bank, RBC Wealth Management U.S. and Capital Markets to accelerate growth in the U.S.
- **International Wealth Management:** In the British Isles, accelerate organic market share growth to be a top-tier wealth manager, providing solutions and insight to successful wealth creators. In Asia, continue to drive growth in Asia's global families by leveraging the global strengths and capabilities of RBC

Cash Earnings (\$ millions)^{(1) (2)}



(1) Cash earnings exclude the after-tax effect of amortization of intangibles. This is a non-GAAP measure. For more information see slide 59. (2) 2019 net income includes the gain on sale of the private debt business of BlueBay (\$134 million after-tax). (3) Spot Balances.

Recent Awards

Best Private Bank for Digital Marketing & Communications – North America

(PWM's Global Wealth Tech Awards, 2021)

Best Private Bank for Digitally Empowering Relationship Managers – North America

(PWM's Global Wealth Tech Awards, 2021)

Corporate Social Responsibility / Diversity Award

(WealthBriefing Europe Awards 2021)

Wealth Planning and CSR Awards

(WealthBriefing Asia Awards 2021)

Innovative Client Solution

(Family Wealth Report Awards, 2021)

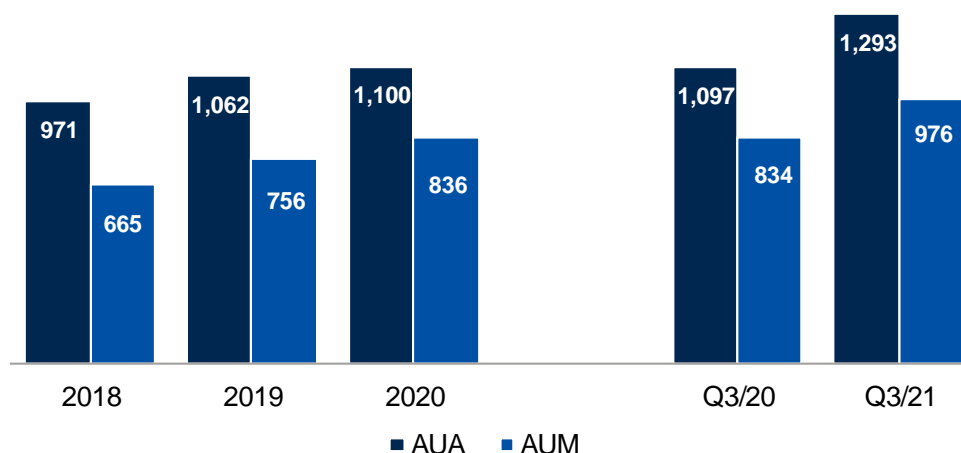
Best Private Banking Services Overall – North America and Canada

(Euromoney Private Banking and WM Survey, 2021)

Best in Serving Business Owners – North America and Canada

(Euromoney Private Banking and WM Survey, 2021)

AUA and AUM (\$ billions)⁽³⁾

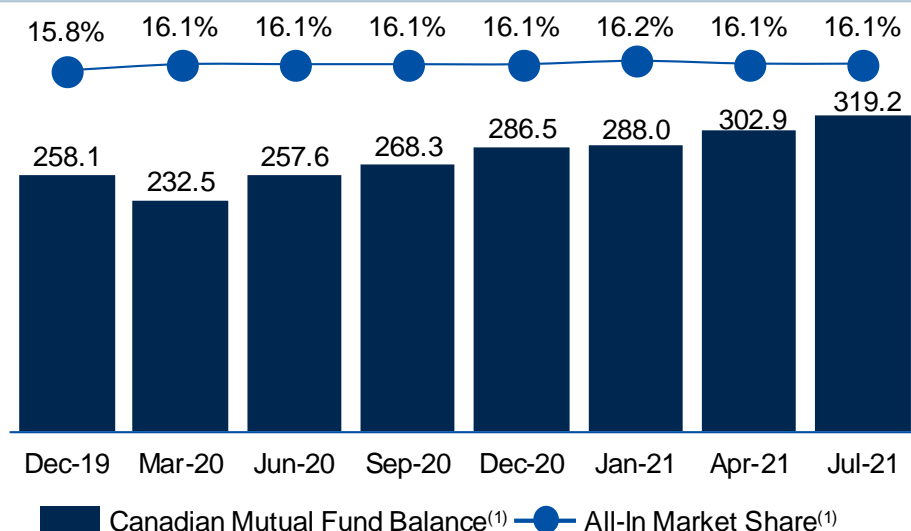


Wealth Management – Global Asset Management

Building a high-performing global asset management business

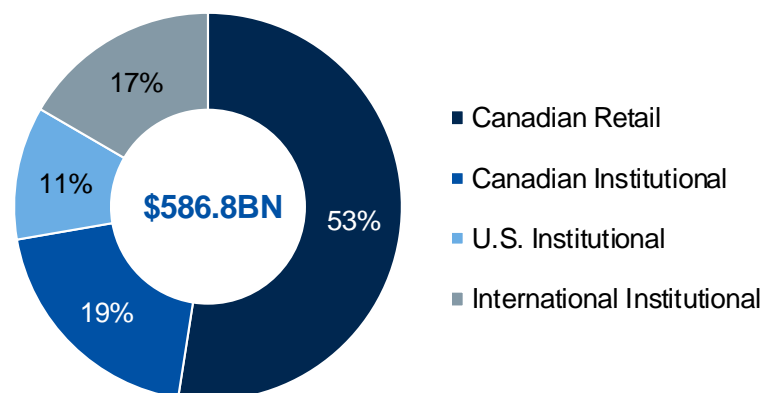
- **Driving top-tier profitability in our largest Wealth Management business**
 - \$586.8BN in client assets
 - Investor asset mix of 53% Retail / 47% Institutional client assets
- **Extending our lead in Canada**
 - Largest retail fund company in Canada, ranked #1 in market share capturing 32.2% amongst banks and 16.1% all-in⁽¹⁾
 - Strategic alliance between RBC Global Asset Management and BlackRock Canada connects clients to the largest and broadest ETF lineup in Canada
 - 3rd largest institutional manager of Canadian pension assets⁽²⁾
- **Delivering strong investment capabilities to support growth**
 - Top performing investment firm with ~88% of AUM outperforming the benchmark on a 3-year basis⁽³⁾
 - Continued growth of investment capabilities and innovative solutions for both institutional clients and retail investors

Canadian Retail Mutual Fund AUM (\$ billions)



Diversified Asset Mix

Q3/2021 AUM by Client Segment (\$ billions)⁽⁴⁾



(1) Investment Funds Institute of Canada (IFIC) in July 2021 and RBC reporting. Comprised of long-term funds and money market prospectus-qualified mutual funds sold to Retail and Institutional clients. (2) Benefits Canada as at May 2021. (3) As at June 2021, gross of fees. (4) RBC GAM, based on period-end spot balances.

Wealth Management

Canadian Wealth Management

- Maintain profitable growth with strong pre-tax margin
- #1 High Net Worth and Ultra High Net Worth market share in Canada⁽¹⁾
- Canadian leader in fee-based assets per advisor⁽¹⁾
- Consistently driving revenue per advisor of over \$1.6MM per year, 23% above Canadian industry average⁽¹⁾
- Strong asset growth complemented by favourable market conditions
- Leveraging enterprise linkages to extend market share gains

U.S. Wealth Management (including City National)

RBC Wealth Management-U.S.

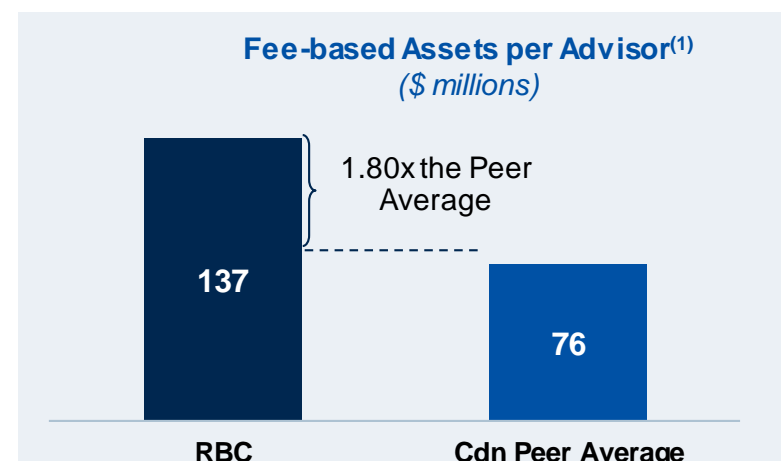
- 7th largest full-service wealth advisory firm in the U.S. as measured by number of financial advisors and 6th largest by assets under administration⁽²⁾
- Enhancing the client-advisor experience through a digitally-enabled, goals-based planning approach, and strengthening the range of advisory solutions and product offerings
- Continuing to attract and onboard new advisors, and clearing relationships while improving advisory productivity and operational efficiency

City National

- A premier U.S. private and commercial bank that creates a platform for long-term growth in the U.S.
- Operates with a high-touch, branch-light client service model in selected high-growth markets, including: Los Angeles, the San Francisco Bay area, Orange County, San Diego, New York, Boston, and Washington DC
- Expanding the CNB business model to selected high-growth markets
- CNB recently launched a National Corporate Banking division that will specialize in meeting the complex banking and corporate finance needs of larger commercial and mid-corporate-sized companies across the country

International Wealth Management

- Growing market share in target markets
- Enhancing “One RBC” cross-platform connectivity
- Focusing on client service excellence
- Increasing business effectiveness and talent capabilities



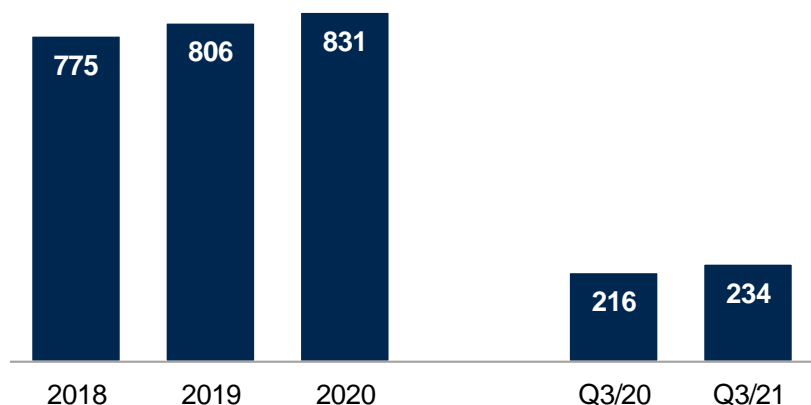
(1) Strategic Insight (formerly Investor Economics), March 2021. (2) Source: U.S. wealth advisory firms quarterly earnings releases (10-Q).

Insurance

Strategic Priorities

- **Grow the Canadian insurance business:** By focusing on providing innovative and competitive products, and leveraging partnerships to expand value added client services such as virtual health and wellness
- **Maintain our leadership position in the creditor business:** By investing in new digital tools, delivering new pricing and product benefits, and developing new marketing programs to improve acquisition and retention through tighter integration with bank partners
- **Grow the longevity business in Canada and the UK:** By enabling client base growth, long term investment returns, and risk diversification strategies
- **Deepen client relationships across RBCI and RBC:** By focusing on new client acquisition utilizing RBCI's growing channels at lower acquisition cost

Net Income (\$ millions)



Highlights

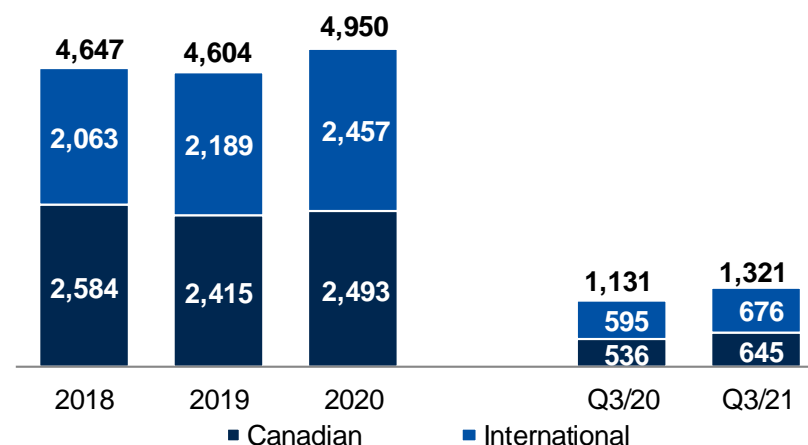
Among the largest Canadian bank-owned insurance organizations, serving more than five million clients globally

#1 in individual disability (inforce business) with 32%⁽¹⁾ market share
 #1 in individual disability net new sales with 41%⁽¹⁾ market share

#2 in Segregated fund net sales⁽²⁾

RBC Guaranteed Investment Funds continue to be one of the fastest growing segregated fund providers in Canada with YoY growth of 34%⁽²⁾

Premiums and Deposits (\$ millions)



(1) LIMRA Canadian Insurance Survey, 2nd Quarter, 2021. (2) Strategic Insights, Insurance Advisory Service Report, July 2021.

Investor & Treasury Services

- Specialist provider of asset and treasury services to institutional clients worldwide and a leader in Canadian cash management and transaction banking services
 - Ranked #1 Fund Administrator Overall⁽¹⁾
 - Ranked #3 Asset Servicer - Overall Globally⁽²⁾
 - Named Best Trade Finance Bank in Canada for the ninth consecutive year⁽³⁾
- Short-term funding and liquidity management for RBC

Strategic Priorities

Grow income and market share among Canadian asset managers, investment counsellors, pension funds, insurance companies, and transaction banking clients

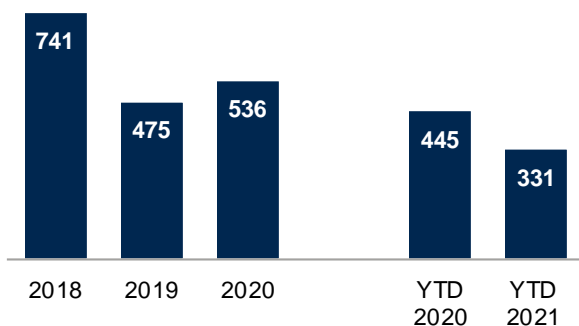
Compete in segments and markets which offer the highest risk-adjusted returns

Provide our clients seamless digital journeys and secure, robust and continuous service

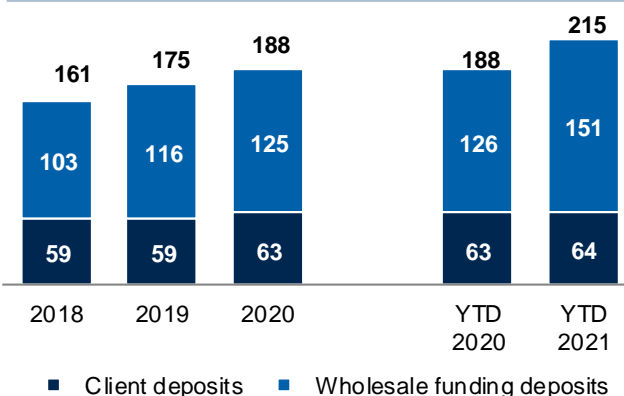
Design and re-engineer our services to improve client satisfaction, efficiency and risk controls

Use technology and data insights to solve our clients' current and future challenges

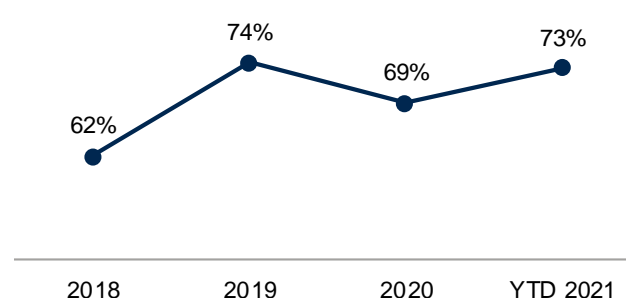
Net Income (\$ millions)



Average Deposits (\$ billions)⁽⁴⁾



Efficiency Ratio

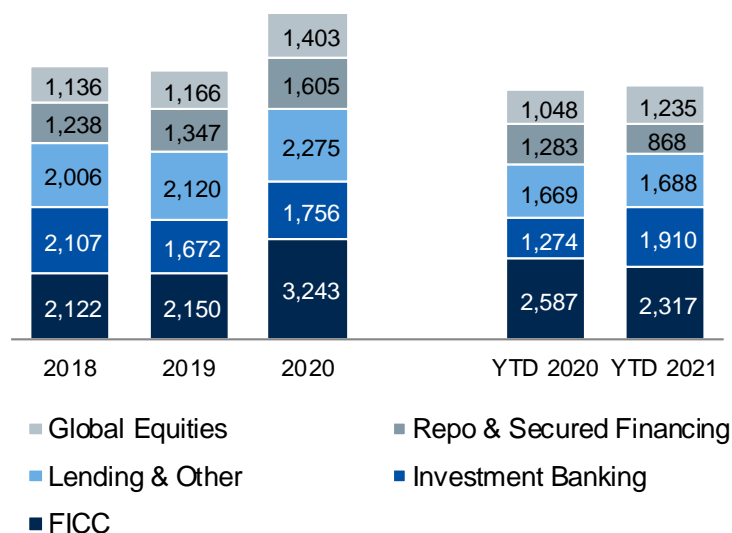


(1) R&M Fund Accounting & Administration Survey, 2020. (2) R&M Investor Services Survey, 2021. (3) Global Finance, 2021. (4) Totals may not add up due to rounding.

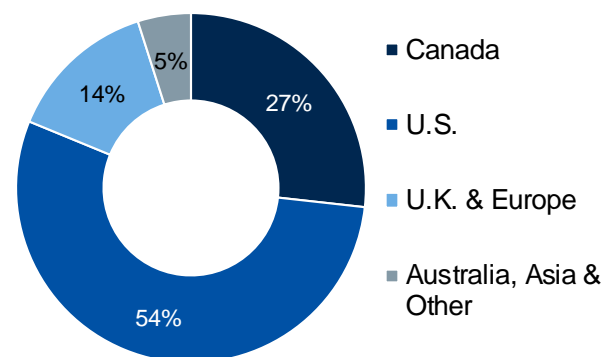
Capital Markets

- A premier global investment bank with core operations across Canada, the U.S., the U.K./Europe, and APAC
 - 12th largest global investment bank by fees⁽¹⁾
- Strategically positioned in the largest financial centres, focused on the world's largest and most mature capital markets encompassing ~84% of the global investment banking fee pool⁽¹⁾
- Recognized by the most significant corporations, institutional investors, asset managers, private equity firms, and governments around the globe as an innovative, trusted partner with in-depth expertise in capital markets, banking and finance

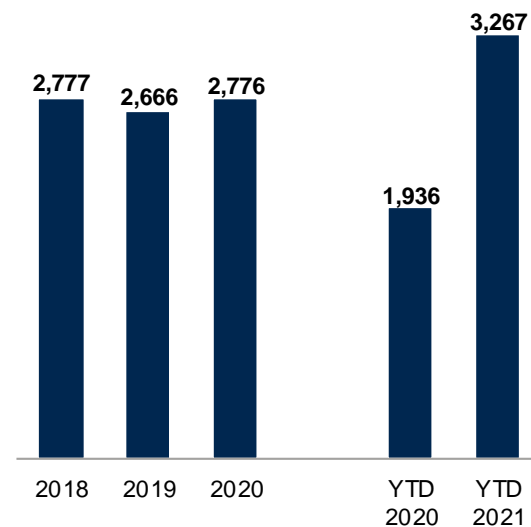
Revenue by Business (\$ millions)⁽²⁾



Revenue by Geography⁽³⁾



Net Income (\$ millions)



(1) Dealogic – August 2021. (2) Global Markets segment revenue has been restated to align select portfolios previously disclosed in Repo and Secured Financing to FICC and Global Equities. Revenue by business only includes Corporate & Investment Banking and Global Markets, excluding CM Other. (3) For three months ended July 31, 2021.

Capital Markets

Strategic Priorities

Drive Deeper, Multi-Product Client Relationships	<ul style="list-style-type: none"> Gain market share across all businesses and expand number of multi-product relationships Expand client coverage in underpenetrated sectors and products
Lead with Advice, Empowered by Ideas, Insights and Innovation	<ul style="list-style-type: none"> Grow Advisory & Origination and accelerate Sustainable Finance across all business areas Enhance Sales & Trading client value and insights from scaled electronic and digital strategy
Leverage Cross Platform Collaboration and Convergence	<ul style="list-style-type: none"> Foster cross-platform and geography collaboration across businesses and asset classes
Invest in and Engage our Talent	<ul style="list-style-type: none"> Renew focus on talent development programs and accelerate Diversity & Inclusion strategy
Optimize our Business and Efficiently Leverage Scale	<ul style="list-style-type: none"> Optimize balance sheet utilization and strategically reallocate resources
Evolve our Brand as an Innovative, Trusted Partner	<ul style="list-style-type: none"> Be recognized by our clients as an innovative, trusted partner with best-in-class capabilities

Recent Awards




Received numerous points of recognition in the 2021 Greenwich awards, based on peer interviews, including:

#1 in Canadian Cash Equities Trading


#1 in Canadian Equity Research/Advisory

#1 in Canadian Corporate Access


Notable Deal Highlights




Lead Left Bookrunner on Pet Valu's C\$316MM IPO



Lead Left Bookrunner on Alexandria Real Estate's US\$1.3Bn Equity Follow-On; Largest REIT Equity Offering Since 2013



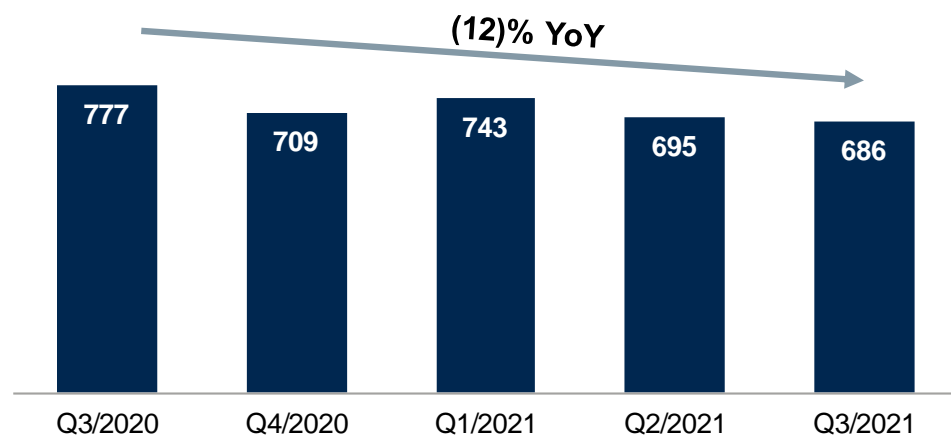
Lead Structuring Agent and Joint Bookrunner on Telus' C\$750MM Sustainability Linked Bond; First SLB in the Canadian Market



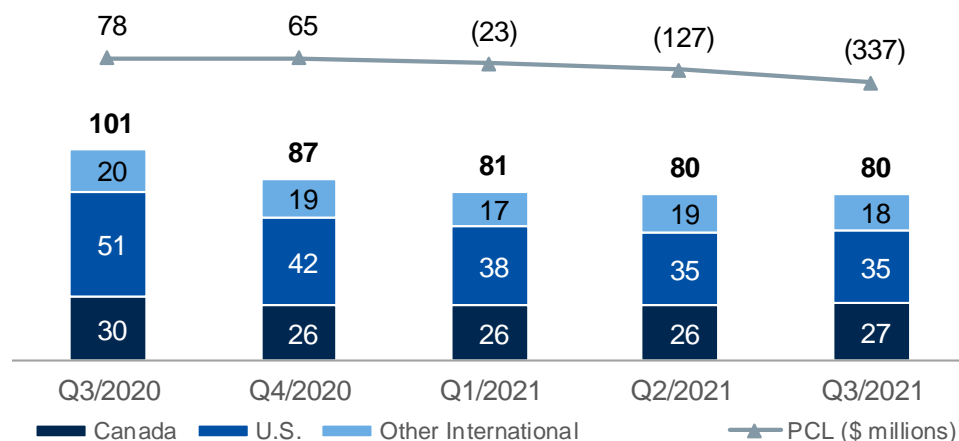
Financial Advisor to Vattenfall on the Sale of a 49.5% Stake in their HKZ Offshore Wind Farm to BASF

Capital Markets

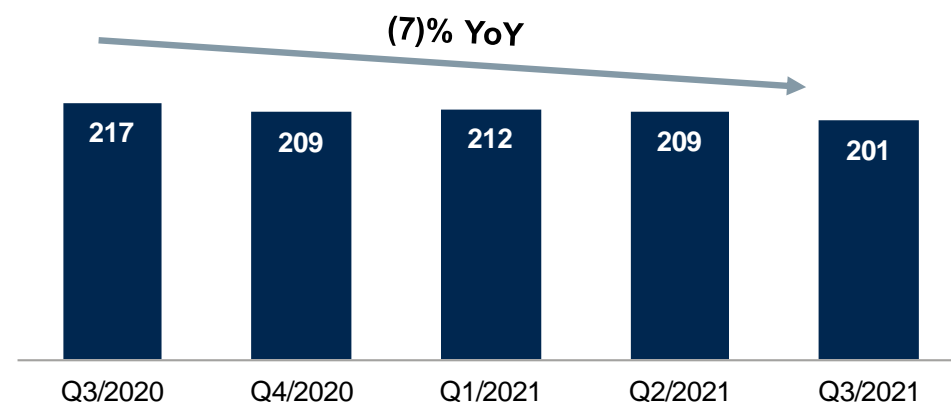
Capital Markets Total Average Assets (\$ billions)



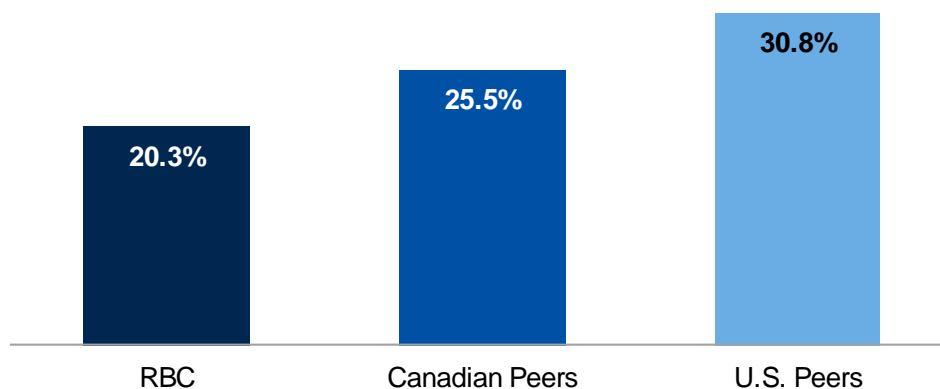
Geographic Diversification Across Loan Book Average Loans Outstanding by Region (\$ billions)⁽¹⁾



Risk-Weighted Assets, Spot (\$ billions)



Earnings Volatility vs. Canadian and U.S. Peers (Standard Deviation / Avg Earnings)⁽²⁾



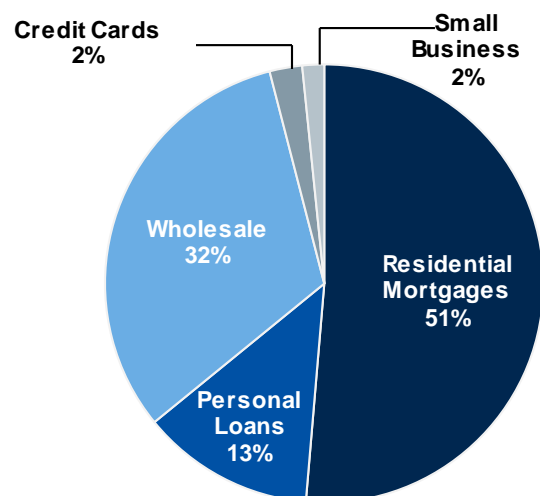
(1) Average loans outstanding includes wholesale loans, acceptances, and off balance sheet letters of credit and guarantees for our Capital Markets portfolio, on single name basis. Excludes mortgage investments, securitized mortgages and other non-core items. This chart has been restated to exclude certain intergroup exposures that are not part of the corporate lending business. This is a non-GAAP measure. For more information see slide 59. (2) Reflects pre-provision, pre-tax earnings, which is revenue net of PBCAE and non-interest expenses. This is a non-GAAP measure. For more information, please refer to slide 59. Canadian peers include BMO, TD, CIBC, BNS and NA, US peers include JPM, GS, BAC, Citi and MS.

Risk Review

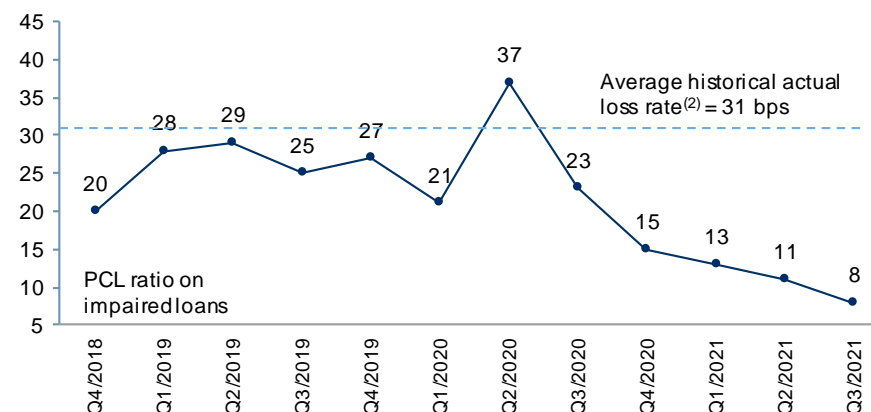
Prudent risk management

A disciplined approach and diversification have underpinned credit quality

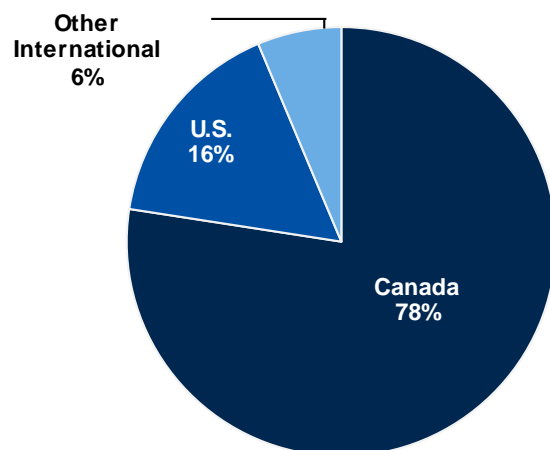
Loan Book Diversified by Portfolio⁽¹⁾



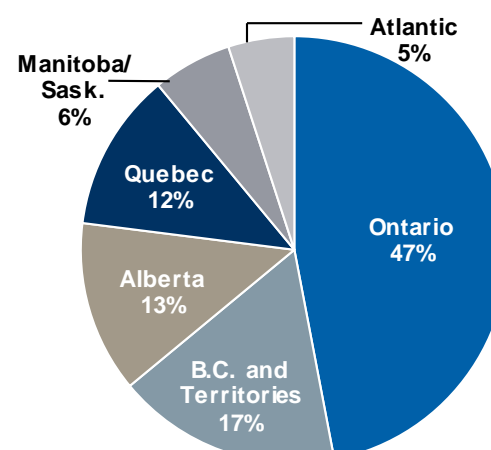
PCL Ratio on Impaired Loans (bps)



Breakdown by Region of Total Loans and Acceptances⁽¹⁾



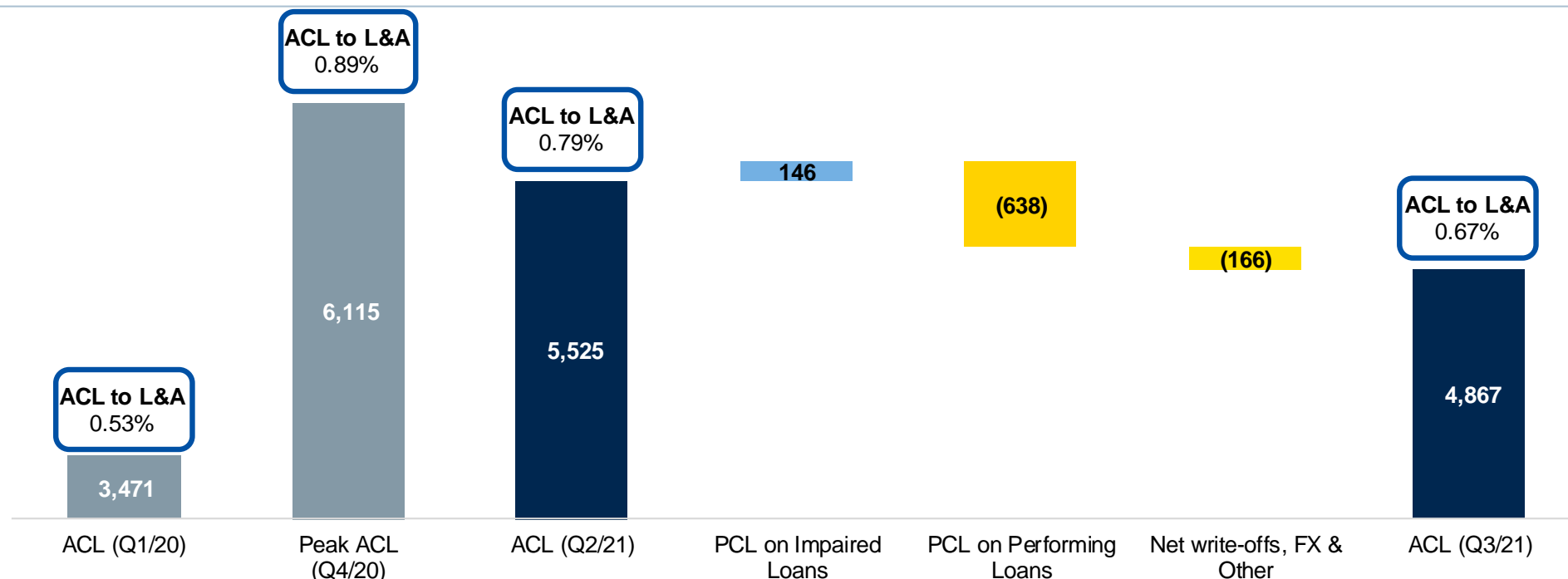
Breakdown of Canadian Total Loans and Acceptances⁽¹⁾



(1) Loans and acceptances outstanding as at July 31, 2021. Does not include letters of creditor guarantees. (2) Average annual actual loss rate from fiscal 2003 through to the most recent full year. The information is updated on an annual basis and is based on consolidated results. The Average historical actual loss rate on a continuing operations basis is 0.31%.

ACL declining with improvements in macroeconomic and credit quality outlook

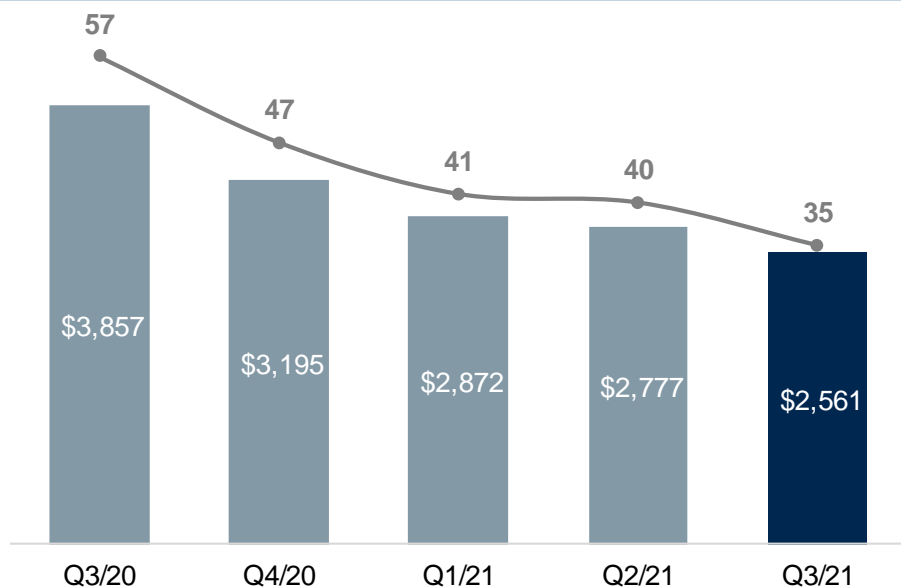
Movement in Allowance for Credit Losses on Loans (\$ millions)



- ACL on loans of \$4.9 billion was down \$658 million QoQ, and ACL as a percentage of loans and acceptances of 0.67% was down 12 bps QoQ
 - We continue to release reserves, which are down from a peak of 0.89% of loans and acceptances in Q4/20, in line with the economic recovery. During the quarter, we saw pandemic-related government restrictions easing and significant progress on vaccine distribution
 - Our ACL remains above pre-pandemic levels of 0.53% of loans and acceptances. Uncertainty remains around the impact of the COVID-19 Delta variant, and defaults continue to be mitigated by government support programs
- In Q3/21, we released \$638 million of reserves on performing loans, which was ~2.5x our release last quarter, and reflects continued improvements in our macroeconomic outlook and the credit quality of our portfolios during the quarter
 - The release of reserves on performing loans is primarily driven by Capital Markets (\$284 million) and Canadian Banking (\$281 million), primarily in the Cards and Personal Lending portfolios
- Our year-to-date release of reserves on performing loans of \$995 million represents ~40% of provisions built during Q2 -Q4/2020

GIL below pre-pandemic levels with new formations at 9-year lows

Gross Impaired Loans (GIL) (\$ millions, bps)



Key Drivers of GIL (QoQ)

- Total GIL decreased \$216 million (down 5 bps QoQ)

Canadian Banking

- GIL decreased \$112 million, as muted new formations were more than offset by relatively stable write-offs, in both our retail and commercial portfolios

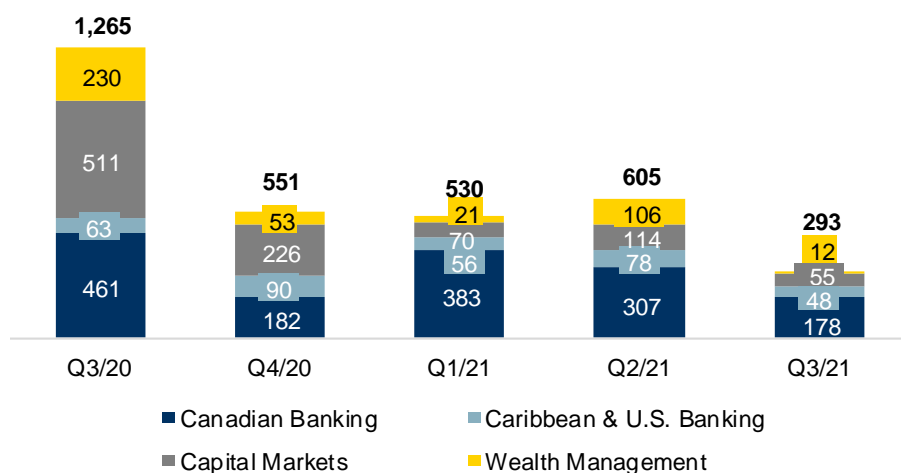
Capital Markets

- GIL decreased \$94 million, due to the resolution of two previously impaired loans in the Real Estate and Related, and Mining and Metals sectors

Wealth Management (including CNB)

- GIL decreased \$18 million, as muted new formations were more than offset by continued resolution of previously impaired loans (through repayments or return to performing) at CNB

New Formations (\$ millions) ⁽¹⁾



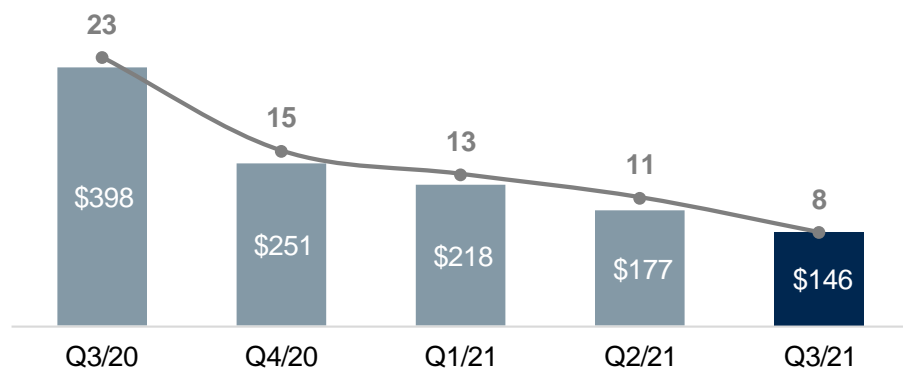
Net Formations (\$ millions)



(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.

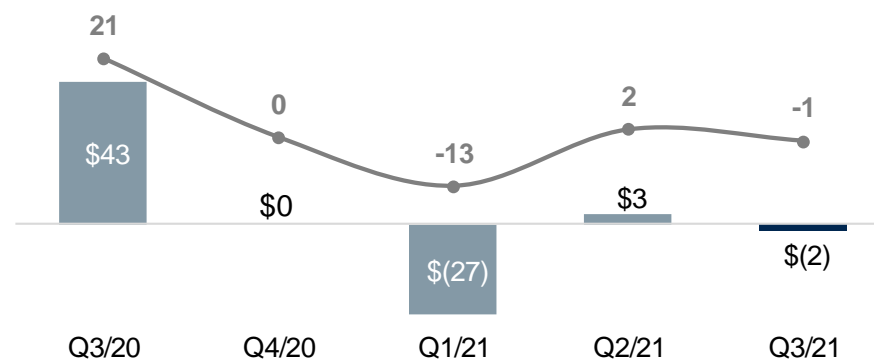
PCL on impaired loans lower for the fifth consecutive quarter

Total RBC (\$ millions, bps)



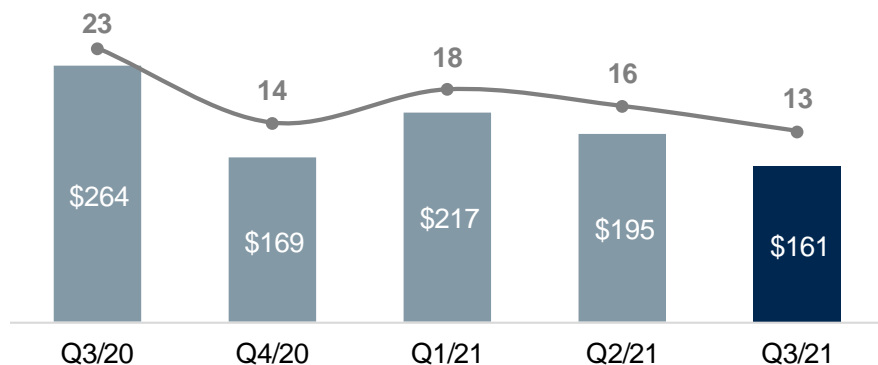
- Lower provisions QoQ in Canadian Banking, partially offset by lower recoveries QoQ in Capital Markets

Wealth Management (\$ millions, bps)



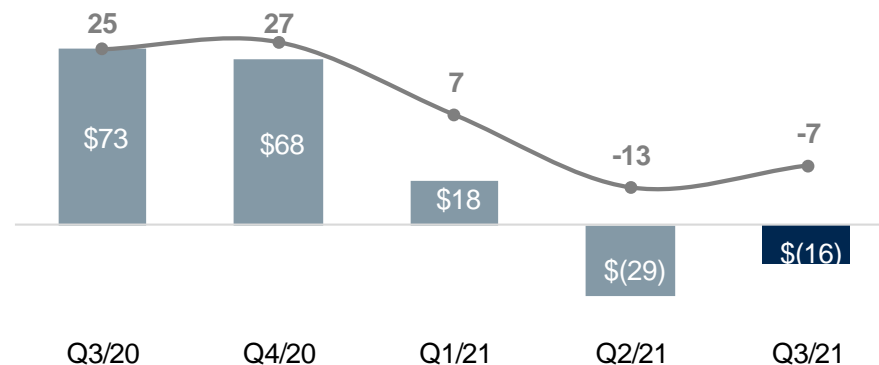
- Provisions remain muted, with a \$2 million net recovery in the quarter

Canadian Banking (\$ millions, bps)



- Retail:** Lower provisions QoQ, primarily in personal lending and small business. Provisions for residential mortgages and write-offs on cards were relatively stable QoQ
- Commercial:** Lower provisions QoQ, primarily due to reversals on previously impaired accounts in the Automotive sector this quarter

Capital Markets (\$ millions, bps)



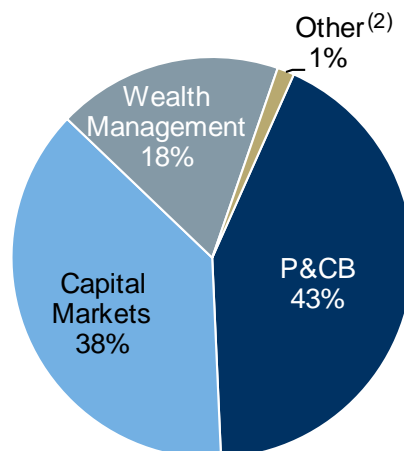
- In Q3/2021, a provision in the Transportation sector was more than offset by net reversals in the Real Estate and Related, and Oil and Gas sectors
- Lower recoveries QoQ, given higher reversals on previously impaired loans in the Oil and Gas and Other Services sectors last quarter

Commercial Real Estate (CRE) portfolio summary

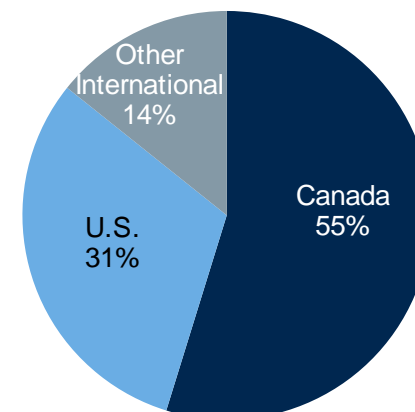
Q3/2021 Highlights

- CRE exposure of \$61 billion at Q3/2021 accounts for 8.5% of total loans and acceptances
- Remains well-diversified by geography, business, and property type

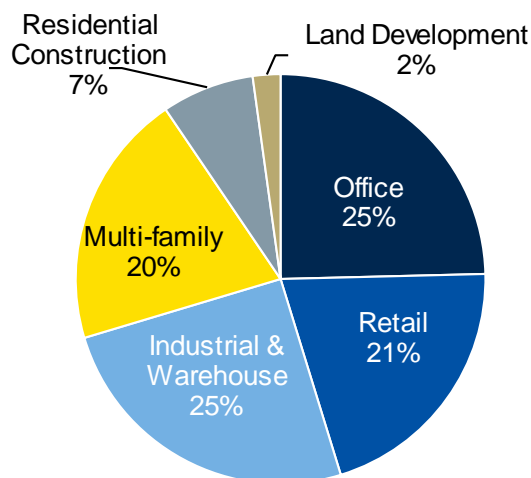
Exposure by Business Segment



Exposure by Geography



Exposure by Property Type



Office

2.1% of total loans & acceptances

- Stable rent collections and occupancy rates supporting low delinquency rates
- Average LTV <65%⁽¹⁾
- Canadian Banking: 2/3rd of office exposure is to <\$10 million loans; mostly low-rise buildings outside of the downtown core of major urban centres
- Capital Markets: exposure geographically diversified, with 80% current occupancy

Retail

1.7% of total loans & acceptances

- 10% of retail exposure to non-investment grade enclosed malls, where rent collections have been lower due to store closures and reduced foot traffic
- Majority of retail exposure to grocery-anchored open-air centres, where rent collections have been strong aided by curb-side pick-ups and government rental relief programs

Other

4.7% of total loans & acceptances

- Multi-family segment least impacted by COVID-19; rent collection close to pre-pandemic levels
- Strong demand for Industrial & Warehouse, due in part to the growth in on-line shopping

⁽¹⁾ Loan to Value ratio is for mortgage-secured properties. ⁽²⁾ Other includes Insurance, I&TS and Corporate Support.

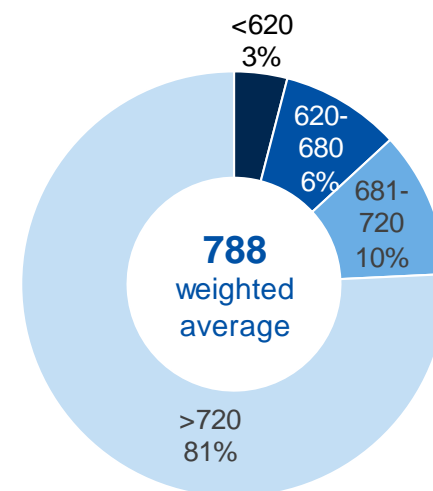
Strong underlying credit quality in Canadian Banking

Canadian Banking PCL on Impaired Loans and Gross Impaired Loans

	Q3/21 Avg Loan Balances (\$BN)	PCL on Impaired Loans (bps) ⁽¹⁾			Gross Impaired Loans (bps)			Avg FICO Score (Q3/21)
		Q3/20	Q2/21	Q3/21	Q3/20	Q2/21	Q3/21	
Residential Mortgages ⁽²⁾	320.1	1	1	1	17	16	14	792
Personal Lending	76.0	42	37	26	34	28	23	780
Credit Cards	16.5	250	203	186	66 ⁽³⁾	78 ⁽³⁾	57 ⁽³⁾	744
Small Business ⁽⁴⁾	11.5	100	30	14	172	104	92	n.a.
Commercial ⁽⁴⁾	79.9	26	18	12	70	69	64	n.a.
Total	504.0	23	16	13	30	28	25	788

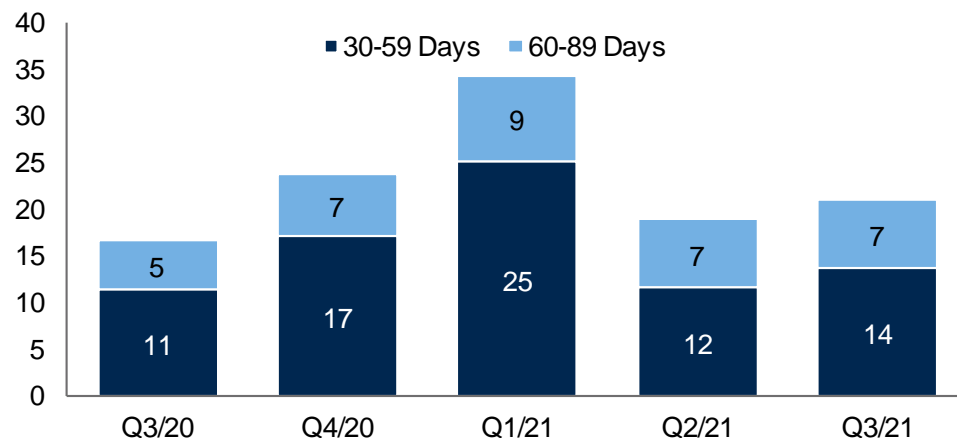
- PCL and GIL ratios lower QoQ across all portfolios, reflecting low new formations, due in part to the impact of ongoing government support

CB Retail FICO Score Distribution (Q3/21)



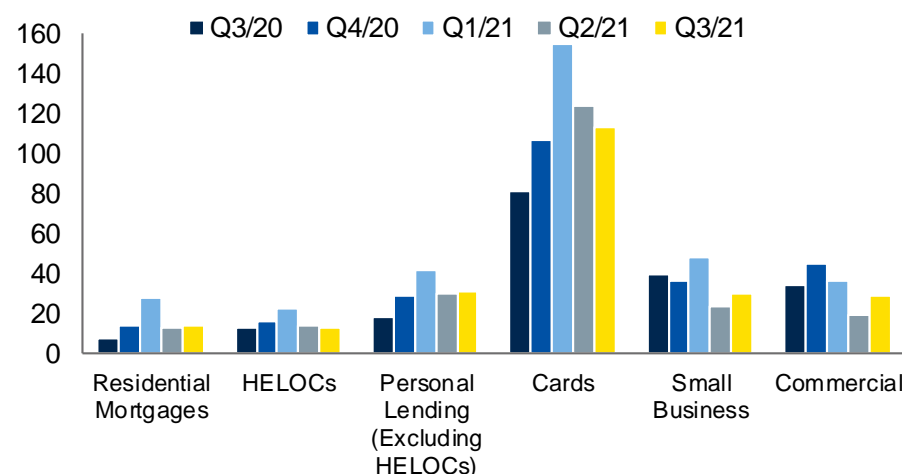
- Credit quality remains high with just 3% of the portfolio with a FICO score below 620

CB Delinquencies By Days Past Due (bps) ⁽⁵⁾



- 30-89 day delinquencies of 21 bps increased 2 bps QoQ, with the increase coming in loans 30-59 days past due

CB 30-89 Day Delinquencies by Product (bps) ⁽⁵⁾



- Commercial and small business delinquencies were up QoQ, but are lower YoY, and remain at or below pre-pandemic levels

(1) Calculated using average net of allowance on impaired loans. (2) Includes \$11BN of mortgages on multi-unit residential buildings originated in P&CB Business Banking. (3) Represents 90+ Days Past Due, as there are no GIL balances for Credit Cards. (4) In Q2/21, following capital treatment guideline change, ~\$5.4BN of exposure previously classified as Commercial was reclassified as Small Business exposure. (5) Includes restrained accounts, where loans 30-59 days past due result from administrative processes, such as mortgage loans where payments have been restricted pending payout due to sale or refinancing.

Canadian residential portfolio has strong underlying credit quality

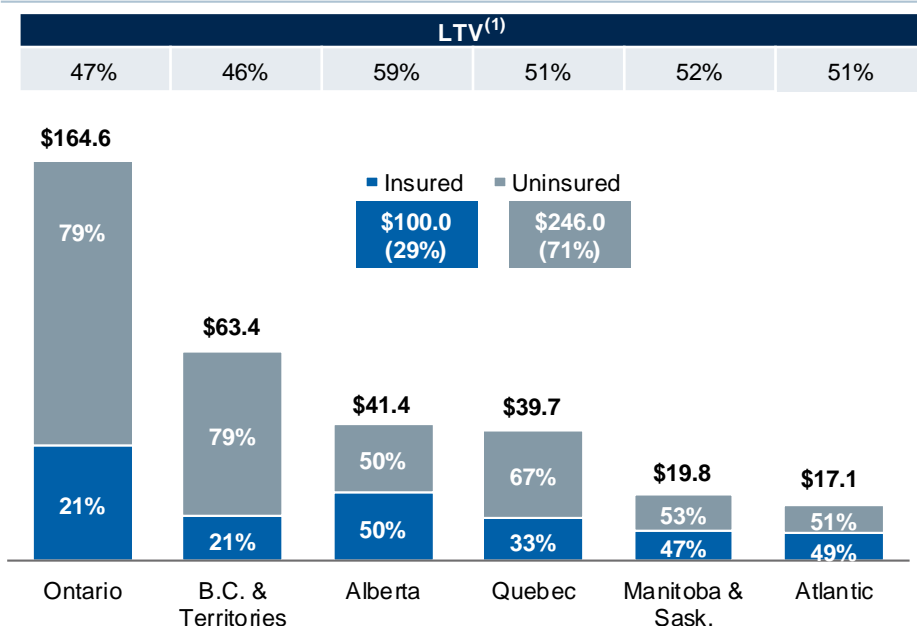
Q3/2021 Highlights

- Strong underlying quality of uninsured residential lending portfolio⁽¹⁾
 - 53% of uninsured portfolio have a FICO score >800
- GTA and GVA average FICO scores remain above the Canadian average
- Only 1.4% of our residential lending portfolio has an LTV >80% and FICO score of 720 or lower, and is predominately all insured
- Condominium outstanding balance is 11% of residential lending portfolio

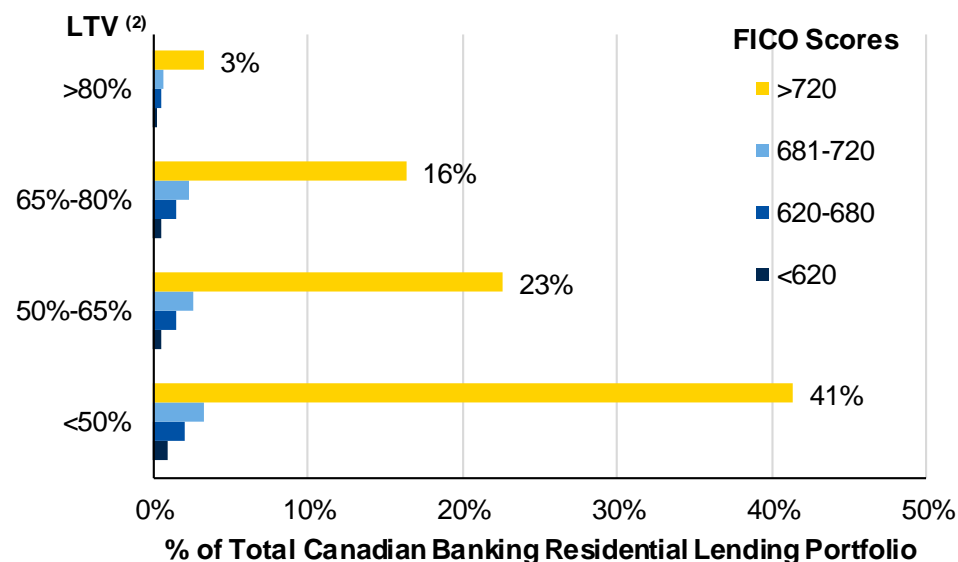
Canadian Banking Residential Lending Portfolio⁽¹⁾

	Total \$349BN	Uninsured \$275.3BN
Mortgage	\$314BN	\$240.3BN
HELOC	\$35BN	\$35BN
LTV⁽²⁾	49%	47%
GVA	45%	45%
GTA	46%	46%
Average FICO Score⁽¹⁾	801	806
90+ Days Past Due⁽¹⁾⁽³⁾	15 bps	11 bps
GVA	9 bps	9 bps
GTA	6 bps	6 bps

Canadian Residential Mortgage Portfolio⁽²⁾ (\$ billions)



Canadian Banking Residential Lending Portfolio⁽¹⁾



(1) Based on \$314.0BN in residential mortgages with non-commercial clients and \$35.0BN in HELOC in Canadian Banking. Based on spot balances. Totals may not add due to rounding. Weighted by mortgage balances and adjusted for property values based on the Teranet– National Bank National Composite House Price Index. (2) Canadian residential mortgage portfolio of \$346.0BN comprised of \$314.0BN of residential mortgages in Canadian Banking, \$2.6BN in other Canadian business platforms, \$11.2BN of mortgages with commercial clients (\$7.8BN insured) and \$18.2BN of residential mortgages in Capital Markets held for securitization purposes (all insured). (3) The 90+ day past due rate includes all accounts that are either 90 days or more past due or are in impaired status.

ACL coverage: Lower-risk residential mortgages a large part of our balance sheet

Allocation of ACL by Product

Q2 / 2021						Q3 / 2021					
% of Loans & Acceptances						% of Loans & Acceptances					
Product	Stage 1	Stage 2	Stage 1 & 2	Stage 3	Total	Stage 1	Stage 2	Stage 1 & 2	Stage 3	Total	
Residential mortgages ⁽¹⁾	0.1%	2.1%	0.1%	22.0%	0.14%	0.1%	2.2%	0.1%	23.2%	0.12%	
Other Retail	0.8%	12.9%	2.1%	38.4%	2.20%	0.8%	12.2%	1.8%	39.0%	1.92%	
Personal	0.6%	9.2%	1.3%	41.4%	1.41%	0.6%	8.9%	1.2%	42.7%	1.28%	
Credit cards	2.4%	25.6%	6.8%	-	6.84%	1.9%	24.7%	5.5%	-	5.54%	
Small business	0.9%	4.6%	1.4%	31.9%	1.70%	0.9%	3.8%	1.3%	31.8%	1.55%	
Retail	0.2%	8.9%	0.6%	27.7%	0.65%	0.2%	9.1%	0.5%	28.3%	0.56%	
Wholesale⁽¹⁾	0.4%	4.8%	0.9%	30.6%	1.14%	0.3%	5.3%	0.7%	31.9%	0.95%	
Total ACL	0.3%	6.7%	0.7%	29.5%	0.79%	0.3%	7.1%	0.6%	30.5%	0.67%	

Allocation of Loans By Product Within Each IFRS 9 Stage

Q2 / 2021						Q3 / 2021					
% of Loans & Acceptances						% of Loans & Acceptances					
Product	Stage 1	Stage 2	Stage 1 & 2	Stage 3	Total (\$BN)	Stage 1	Stage 2	Stage 1 & 2	Stage 3	Total (\$BN)	
Residential mortgages ⁽¹⁾	97.8%	2.0%	99.8%	0.2%	357.8	98.5%	1.3%	99.8%	0.2%	370.5	
Other Retail	89.5%	10.2%	99.7%	0.3%	118.2	90.7%	9.1%	99.7%	0.3%	121.2	
Personal	91.6%	8.1%	99.7%	0.3%	90.5	92.4%	7.3%	99.8%	0.2%	92.2	
Credit cards	80.9%	19.1%	100.0%	0.0%	16.6	84.1%	15.9%	100.0%	0.0%	17.4	
Small business	85.0%	13.9%	99.0%	1.0%	11.1	86.3%	12.8%	99.1%	0.9%	11.6	
Retail	95.7%	4.0%	99.8%	0.2%	476.0	96.6%	3.2%	99.8%	0.2%	491.6	
Wholesale⁽¹⁾	88.7%	10.5%	99.2%	0.8%	212.8	91.3%	8.0%	99.3%	0.7%	219.5	
Total Loans	93.6%	6.0%	99.6%	0.4%	688.7	94.9%	4.7%	99.6%	0.4%	711.1	

(1) Items not subject to impairment are loans held at FVTPL: Residential mortgages (Q3/21: \$252MM, Q2/21: \$243MM); Wholesale (Q3/21: \$10.6BN, Q2/21: \$8.6BN).

Technology @ RBC



Investors value RBC for its industry-leading franchises and innovative approach

Creating More Value for Clients

- **7.9MM** active digital users⁽¹⁾
- **2.6MM+** clients on-boarded onto **MyAdvisor** with a personalized plan
- **5.4MM** active mobile clients⁽¹⁾ on the **RBC Mobile** app

Data & Artificial Intelligence Insights

- **4 Borealis AI** labs connected with top universities across Canada, with **40+** PhDs
- **1.9BN+** insights read by clients on **NOMI** in the **RBC Mobile** app⁽²⁾

Driving Efficiency & Operational Excellence

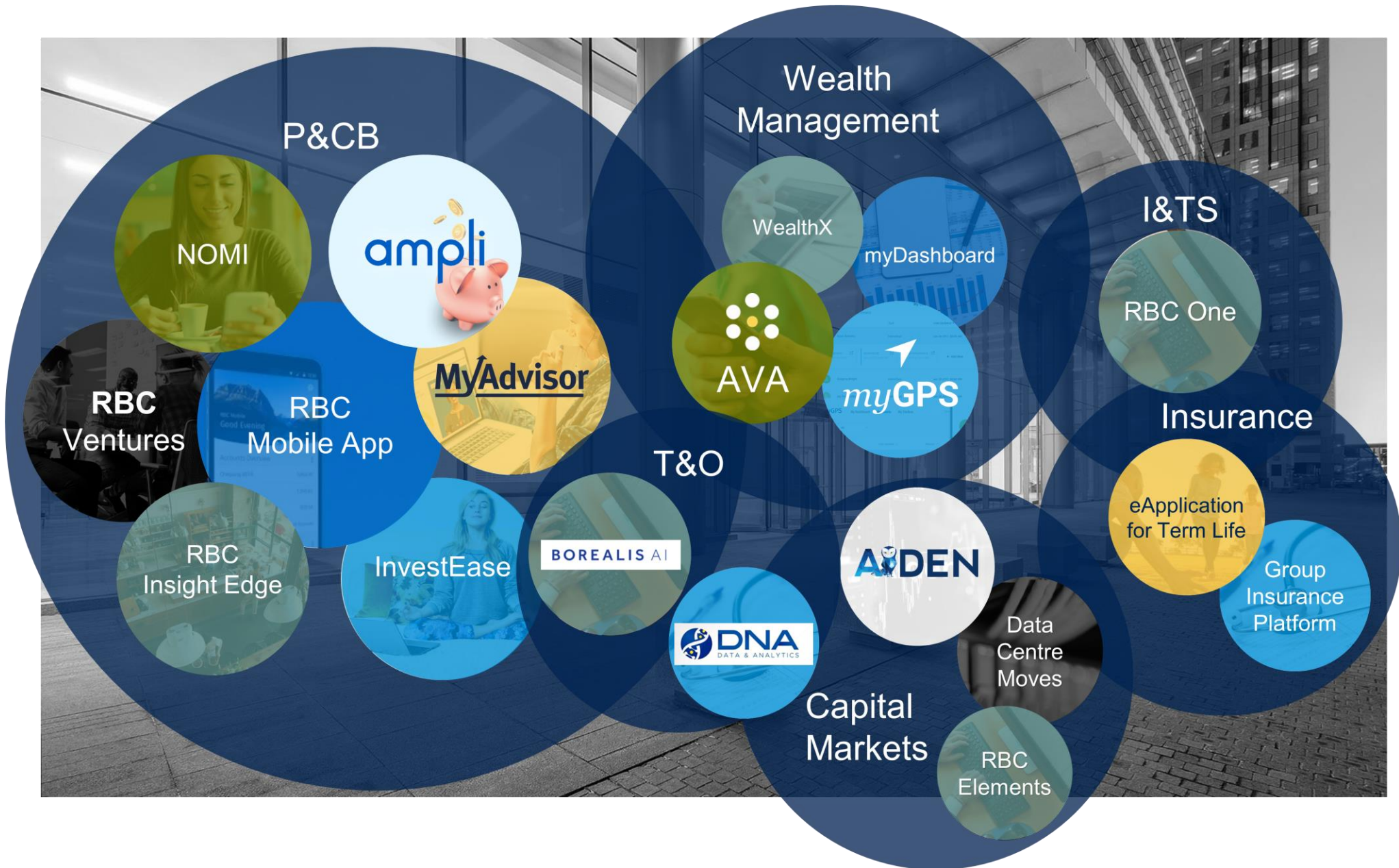
- **584MM** client transactions daily⁽³⁾

Innovation Ecosystem & Partnerships

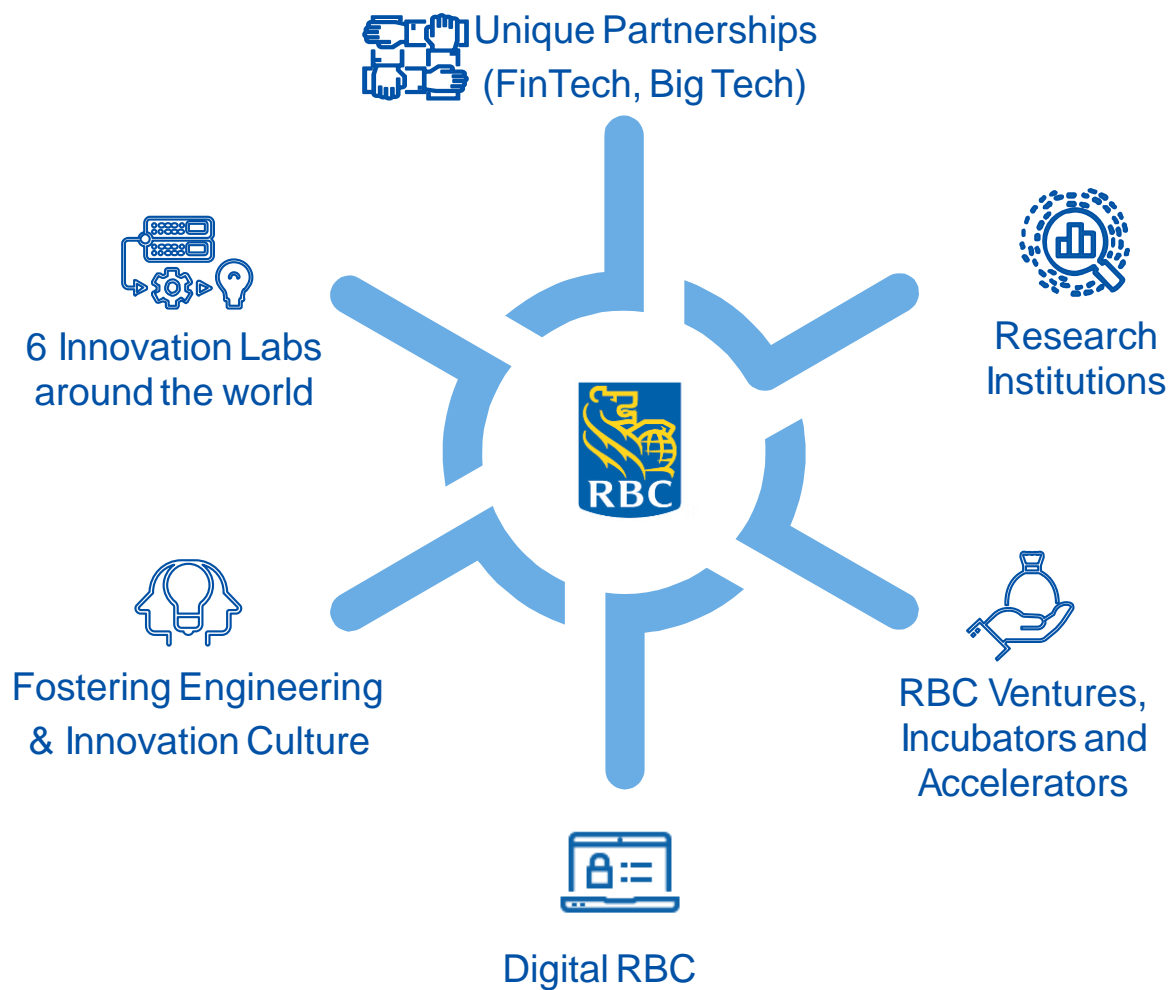
- **6** innovation labs globally
- **14 RBC Ventures** in market
- **#1**⁽⁴⁾ workplace in Canada to grow your career

(1) These figures (in 000s) represent the 90-Day Active customers in Canadian Banking only and are spot values. (2) Insights read on a launch to date basis. (3) Daily average number of transactions. (4) Based on LinkedIn's 2021 Top Companies in Canada list

Our technology platforms are enabling all businesses to exceed client expectations

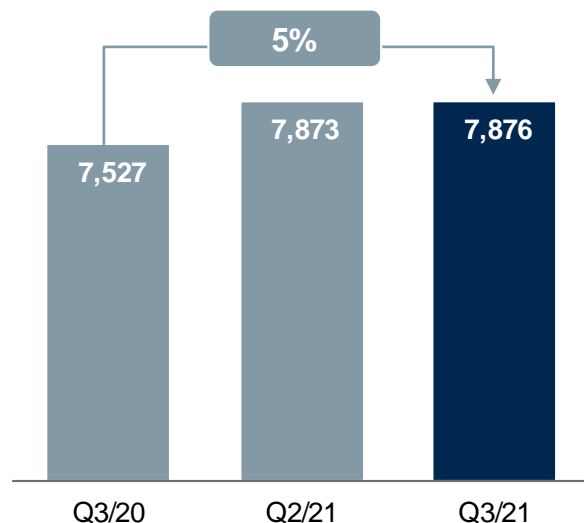


We have developed a rich innovative ecosystem that attracts top talent

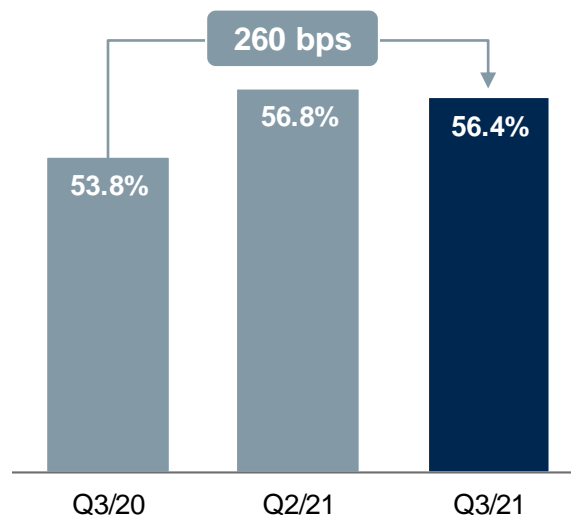


Our 14MM+ Canadian Banking clients continue to adopt our digital channels

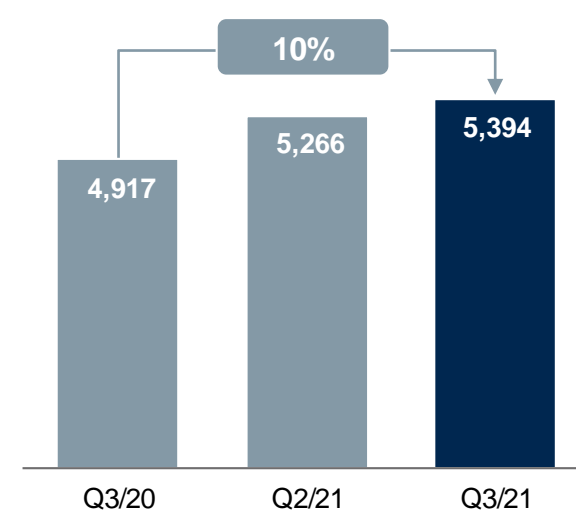
Active Digital Users (000s)⁽¹⁾



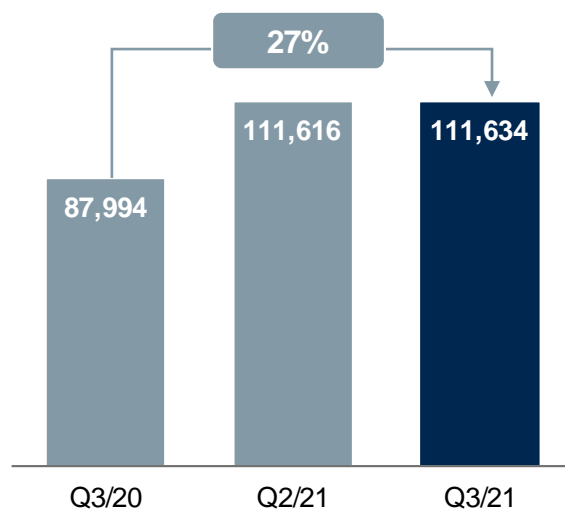
Digital Adoption Rate⁽²⁾



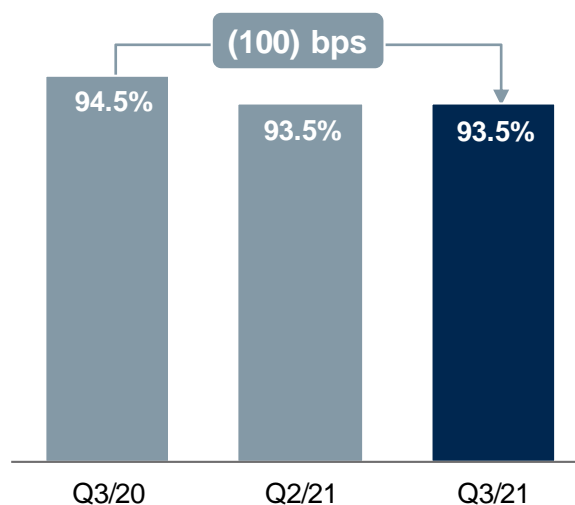
Active Mobile Users (000s)⁽¹⁾



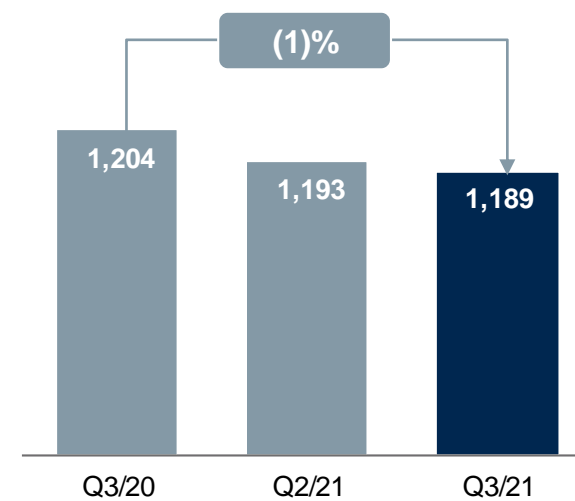
Mobile Sessions (000s)⁽³⁾



Self-Serve Transactions⁽⁴⁾



Branches

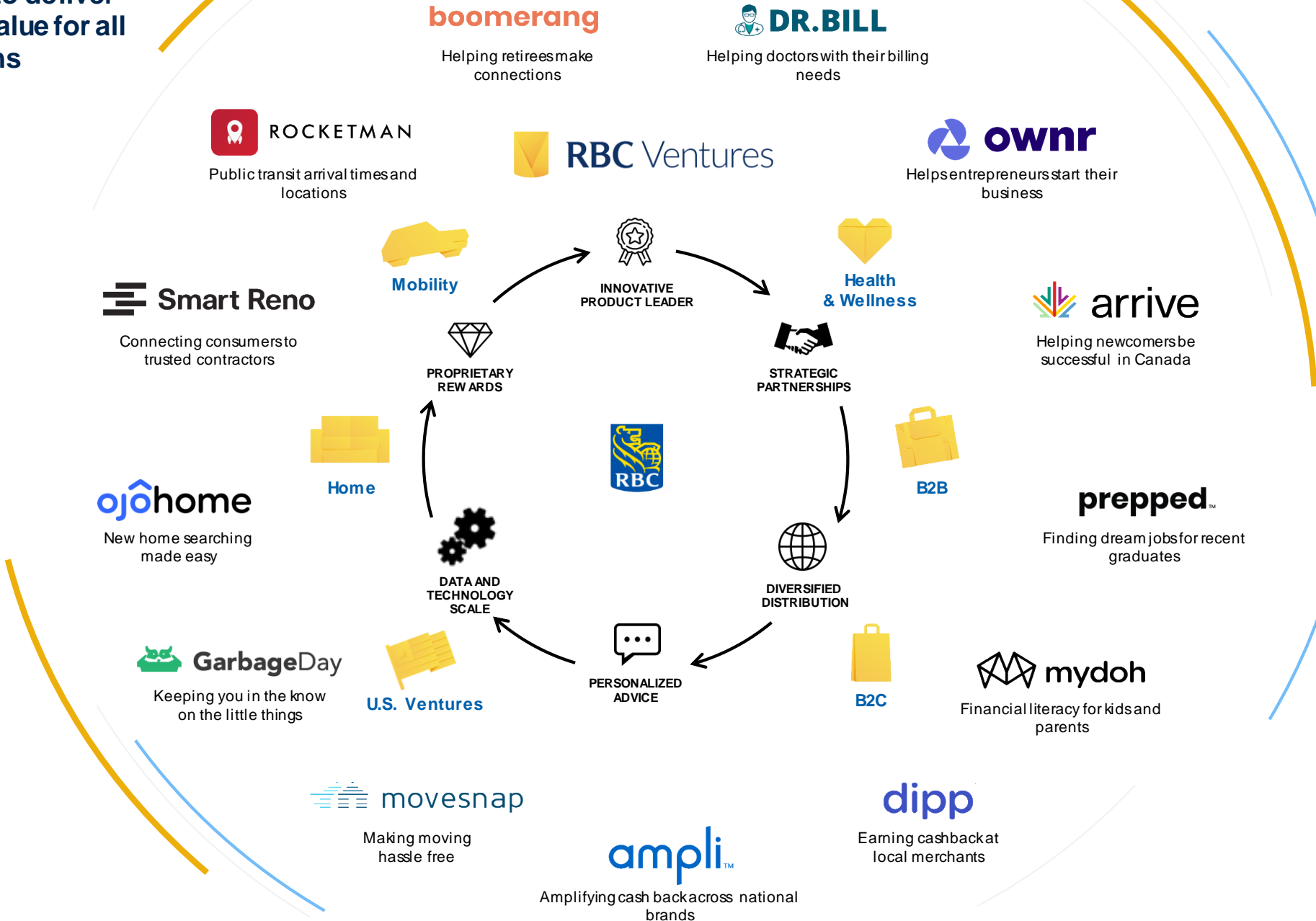


(1) These figures (in 000s) represent the 90-Day Active customers in Canadian Banking only and are spot values. (2) Digital Adoption rate calculated using 90-day active users. (3) These figures (in 000s) represent the total number of application logins using a mobile device. (4) Financial transactions only.

RBC Ventures



Ventures moves RBC beyond traditional banking to deliver unique value for all Canadians



Environment, Social & Governance (ESG)

ESG performance highlights: Putting our Purpose into practice

Royal Bank of Canada is a **purpose-driven, principles-led** organization

How we deliver value



Building & attracting talent and driving a diverse & inclusive culture

- **46%** women executives⁽¹⁾ and **42%** women⁽¹⁾ on RBC's Board of Directors
- **21%** of executives⁽¹⁾⁽²⁾ are BIPOC
- **#4** globally in the Refinitiv Diversity & Inclusion Index, ranking over **9,000** listed companies
- Increasing our staffing goals for BIPOC executives from 20% to **30%** with a focus on increasing Black and Indigenous representation⁽³⁾



Sustainable finance and responsible investment

- **\$73.3 billion⁽⁴⁾** in sustainable finance in 2020, building towards our target of **\$500 billion by 2025**
- Successfully completed a **US\$750 million** Green Bond offering in Q3/2021, in partnership with a syndicate of diverse-owned broker dealers
- Focused strategy to integrate ESG across all businesses in Capital Markets led by a dedicated Sustainable Finance Group
- Total value of socially responsible investments and impact assets under management grew to **\$12.5 billion⁽⁴⁾**



Climate change: accelerating clean economic growth

- Enterprise climate change strategy, [RBC Climate Blueprint](#), aims to support clients in the net-zero transition
- Joined pilot project on climate risk scenarios stress testing led by the Bank of Canada and OSFI
- Joined **PCAF⁽⁵⁾** to advance the measurement of our indirect emissions
- Committed to **net-zero emissions in our lending by 2050** and carbon neutral in our global operations since 2017
- **Over 125 organizations** supported with over **\$27 million** in funding through [RBC Tech for Nature](#) since 2019



Preparing youth for the future of work

- Through [RBC Future Launch](#), we are dedicating **\$500 million** over **10 years** to help young people gain meaningful employment through work experience, skills development and networking; we have reached over **2.5 million⁽⁴⁾** Canadian youth through **500+** partner programs since 2017
- Committed to investing **\$50 million** from 2020 to 2025 to create meaningful and transformative pathways to prosperity for **25,000** BIPOC youth⁽³⁾

RBC is recognized as an “**Outperformer**” or “**Leader**” by our top tier ESG rating agencies⁽⁶⁾ and indices, including:



FTSE4Good

Banking industry ranking
in **98th** percentile



ESG Risk Rating of
16.9 (low risk)



“**A**” Rating



Now a Part of **S&P Global**

Overall score **78**
90th percentile



“**A-**” score for our
2020 Climate
Change response

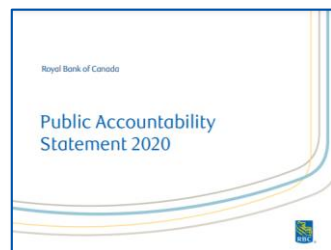
(1) Represents data as at October 30, 2020 for our businesses in Canada governed by the Employment Equity Act (Canada); Board composition is reflective as of February, 2021. (2) Based on employee self-identification and aligned to the definitions of the Employment Equity Act in Canada. (3) [RBC's Actions Against Systemic Racism](#). (4) As of FY2020. (5) The Partnership for Carbon Accounting Financials (PCAF). (6) Includes Sustainalytics, FTSE4Good, MSCI, VigeoEIRIS and S&P Corporate Sustainability Assessment. As of FY2020.

Our suite of ESG disclosures

Annual voluntary and regulatory ESG performance disclosures



ESG Performance Report & SASB Index



Public Accountability Statement (PAS)



TCFD Report



City National CSR Report



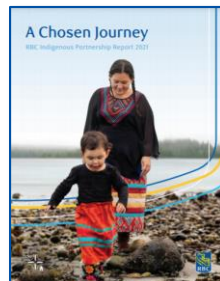
Corporate Governance and Responsible Investment Annual Report



RBC Green Bond Report



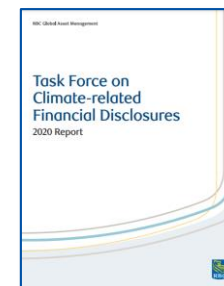
RBC Enterprise Diversity & Inclusion Statement of Performance



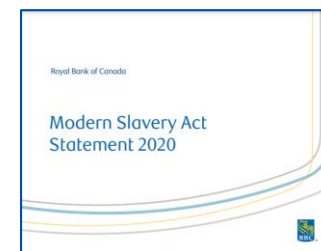
A Chosen Journey Report



Employment Equity Report



RBC GAM TCFD Report

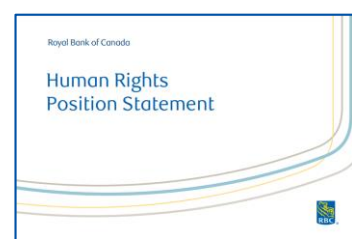


Modern Slavery Act Statement

Position statements and policy and program “backgrounders”



RBC Climate Blueprint



RBC Human Rights Position Statement



About Corporate Citizenship suite of policy and program “backgrounders”



Policy Guidelines for Sensitive Sectors and Activities (Coal and Arctic)

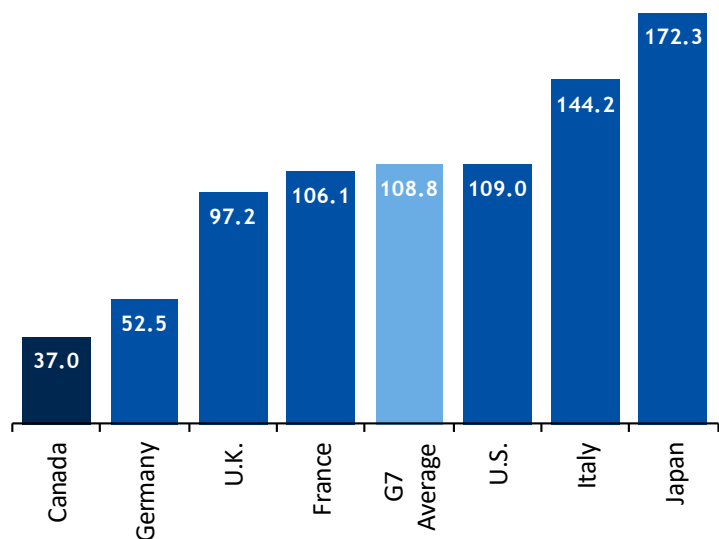
For more details, see our suite of ESG disclosures on our [Corporate Citizenship Reporting website](#).

Economic Backdrop

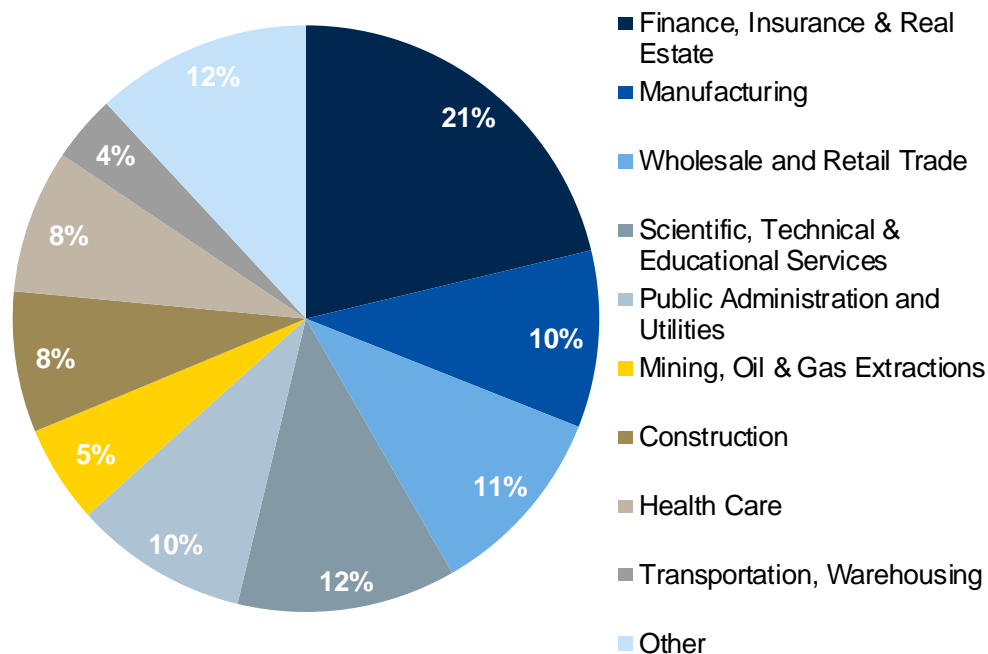
Canada's strong fiscal position

- Strong rating as a result of fiscal prudence, conservative bank lending practices and a solid economy
- Lowest net debt-to-GDP ratio among G7 peers⁽¹⁾

Net Debt as % of GDP⁽¹⁾
(2021)



Canadian GDP by Industry⁽²⁾
(May 2021)

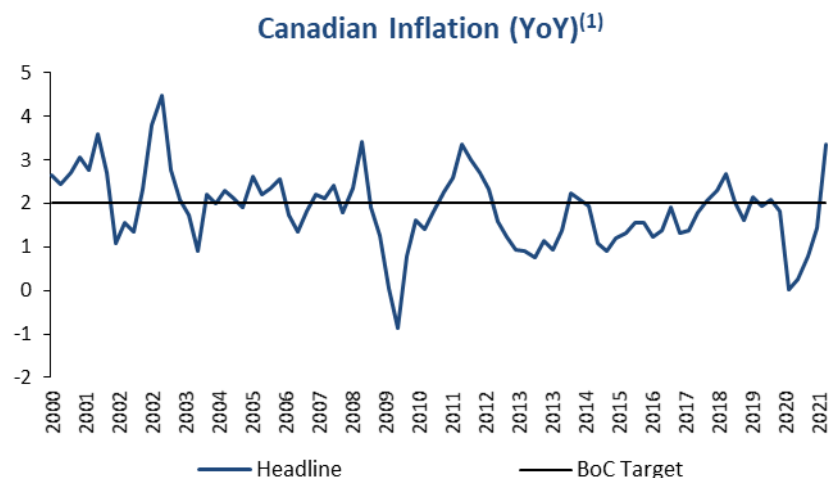


(1) Net debt refers to General Government net debt. International Monetary Fund April 2021 Fiscal Monitor. (2) Statistics Canada, RBC Economics Research.

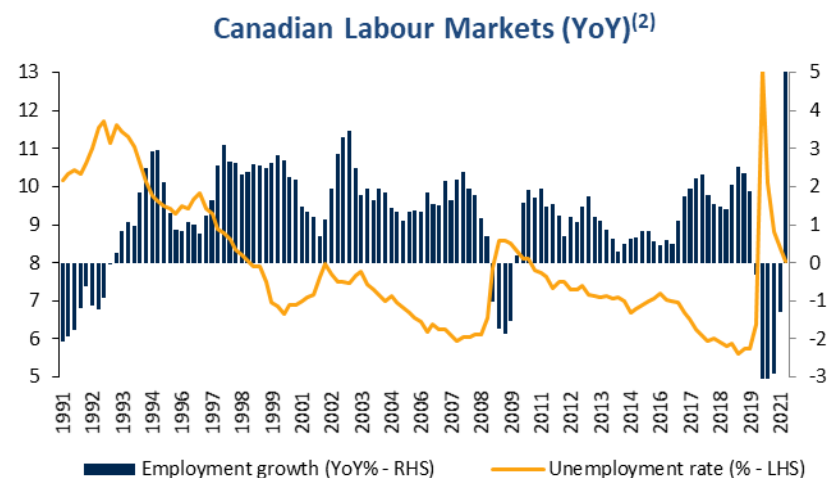
Economy's recovery strengthening as containment measures ease

- The Canadian economy slowed during a spring resurgence of COVID-19 spread but still grew in Q2 with virus spread and containment measures easing in June. Unemployment remains elevated, but government support programs continue to provide larger-than-normal income replacements for those losing work
- New virus variants continue to pose a threat to the Canadian economy's recovery, but vaccination rates have increased sharply making future broadly-based lockdowns less likely. We continue to expect GDP growth will re-accelerate over the second half of 2021 and labour markets will continue to improve
- Year-over-year Consumer Price Index (CPI) growth is expected to remain high in the near-term because of very low year-ago prices, particularly for gasoline. Excluding energy prices, inflation pressures are expected to build through the year as higher raw-material prices filter through to end-product consumer prices and consumer demand for services recovers
- The recovery in the U.S. economy is expected to be boosted by large amounts of fiscal stimulus. U.S. GDP is expected to increase 6.5% in 2021 following a 3.4% drop in 2020

Canadian Inflation (YoY)⁽¹⁾



Canadian Labour Markets (YoY)⁽²⁾



(1) Statistics Canada, RBC Economics Research. (2) Statistics Canada, Bureau of Labor Statistics, RBC Economics Research.

2021 Economic Outlook

Projected Economic Indicators for 2021⁽¹⁾

	GDP Growth	Inflation	Unemployment Rate	Interest Rate (3 mth T-bills)	Current Account Balance/GDP ⁽²⁾	Budget Surplus/GDP ⁽³⁾
Canada	6.3	3.0%	7.5%	0.20%	0.8%	(7.8%)
U.S.	6.5	3.7%	5.5%	0.05%	(3.4%)	(15%)
Euro Area	4.5	1.6%	8.4%	NA	2.8%	(6.7)

Canada

- The Canadian economy is forecast to rebound 6.3% in 2021 following a 5.3% drop in 2020. GDP declined in April and May during the spring wave of virus spread and containment measures but early estimates are pointing to a rebound in June as restrictions eased
- Remaining economic weakness is disproportionately concentrated in the travel and hospitality sectors, but household spending has strengthened in the summer. Household disposable incomes have been propped up by government support for those unemployed and interest rates remain low. A relatively successful Canadian vaccine rollout to-date is expected to limit the extent of future restrictions on economic activity from virus spread

U.S.

- The U.S. economy is expected to grow 6.5% in 2021 after a 3.4% decline in 2020. The level of GDP recovered to back above pre-pandemic levels in Q2 2021 and is expected to continue to grow over the second half of this year as the service-sector continues to recover from virus spread and containment measures
- The unemployment rate is expected to average 5.5% in 2021, still well-above pre-shock levels but much lower than the 8.1% average in 2020
- The economy's recovery will be boosted as containment measures ease and by very large fiscal stimulus supports that have increased household incomes and savings through the pandemic

Euro Area

- Vaccine distribution has continued to ramp up in Euro area economies and eased containment measures are supporting stronger near-term GDP growth
- Growth in both the Euro area and the U.K. economies is expected to remain strong over the second half of this year with vaccine distribution to-date limiting the likelihood that widespread virus containment measures will be reimposed

(1) RBC Economics Research as of July 8, 2021 and reflect forecasts for calendar 2021. (2) RBC Economics Research, IMF WEO (April, 2021). (3) IMF WEO (April 2021).

Canadian Housing Market

Structural backdrop to the Canadian and U.S. housing markets

	Canada ⁽¹⁾	U.S. ⁽¹⁾
Regulation	<ul style="list-style-type: none"> Government influences mortgage underwriting policies primarily through control of insurance eligibility rules Fully insured if loan-to-value (LTV) is over 80% <ul style="list-style-type: none"> Must meet 5-year fixed rate mortgage standards Government-backed, on homes under \$1MM Down-payment over 20% on non-owner occupied properties CMHC last increased mortgage loan insurance premiums in 2017 by ~15% for new mortgages with LTV over 90% Minimum down payment for new government-backed insured mortgages is 10% for portion of the value of a home being purchased that is between \$500,000 – \$999,000, and 5% below \$500,000 Re-financing cap of 80% on non-insured 	<ul style="list-style-type: none"> Agency insured only if conforming and LTV under 80% No regulatory LTV limit – can be over 100% Not government-backed if private insurer defaults
Consumer Behaviour	<ul style="list-style-type: none"> Mortgage interest not tax deductible Greater incentive to pay off mortgage 	<ul style="list-style-type: none"> Mortgage interest is tax deductible Less incentive to pay down mortgage
Lender Behaviour	<ul style="list-style-type: none"> Strong underwriting discipline; extensive documentation Most mortgages are held on balance sheet Conservative lending policies have historically led to low delinquency rates 	<ul style="list-style-type: none"> Wide range of underwriting and documentation requirements Most mortgages securitized
Lenders' Recourse	<ul style="list-style-type: none"> Ability to foreclose on non-performing mortgages, with no stay periods Full recourse against borrowers⁽²⁾ 	<ul style="list-style-type: none"> Stay period from 90 days to one year to foreclose on non-performing mortgages Limited recourse against borrowers in key states

(1) Current regulation and lenders recourse. (2) Alberta and Saskatchewan have some limited restrictions on full recourse.

Legislation and policies – promoting a healthy Canadian housing market

January 2022 (proposed) – Department of Finance

- Tax of 1% on the value of non-resident, non-Canadian-owned real estate considered vacant or underused

June 2021 – OSFI, Department of Finance

- The stress test qualifying rate for insured and uninsured mortgages changing to the client rate plus 2 percentage points or 5.25%, whichever is greater

July 2020 – CMHC

- Minimum credit score for CMHC insured mortgages raised from 600 to 680
- Gross debt service ratio reduced to 35%; total debt service ratio reduced to 42% to qualify for CMHC insured mortgage
- CMHC tightened rules on admissible down payment sources

February 2018 – Government of British Columbia

- The B.C. government introduced a 30-point plan to address housing affordability issues. It included a new speculation tax (2% of assessed value) on homeowners who do not pay income tax in the province and increased the foreign buyer tax to 20% from 15%

January 2018 – OSFI

- Qualifying rate for uninsured mortgages raised to 2 percentage points above the contract rate or the five-year posted rate, whichever is higher

April 2017 – Government of Ontario

- Introduced the 'Fair Housing Plan': 16 measures to address risks in the housing market including a 15% speculation tax on non-residents purchasing homes in the Greater Golden Horseshoe region

January 2017 – City of Vancouver

- Vancouver introduced a tax of 1% of the assessed value of each home which is vacant (principal residence is exempt)

October 2016 – Department of Finance

- Qualifying rate for high-ratio mortgages with a term of five years or more is changed to the 5-year posted rate
- Portfolio-insured low-ratio mortgage loans must meet the eligibility criteria of high-ratio insured mortgage
- A principal residence sale must be reported in the seller's tax return, even if any capital gain is protected by the principal residence exemption

Legislation and policies – promoting a healthy Canadian housing market

July-August 2016 – OSFI & the Government of British Columbia

- OSFI increased scrutiny on mortgage underwriting standards: greater emphasis on internal controls, risk management practices and market developments
- BC government introduced a property transfer tax of 15% on foreign buyers registering the purchase of a home in Metro Vancouver

December 2015 – Department of Finance

- Minimum down payment for new government-backed insured mortgages increased from 5% to 10% for portion of the value of a home being purchased that is between \$500,000 and \$999,999 (came into effect February 2016)

April 2014 – CMHC

- Discontinued offering mortgage insurance on 2nd homes and to self-employed individuals without 3rd party income validation

July 2012 – CMHC

- Maximum amortization on government-backed insured mortgages reduced to 25 years from 30 years
- Maximum amount that can be borrowed on a mortgage refinancing lowered to 80% from 85%
- CMHC insurance availability is limited to homes with a purchase price of <\$1 million lowered from \$3.5 million
- Set the borrower's maximum gross debt service ratio at 39% and maximum total debt service ratio at 44%

March 2011 – CMHC

- Maximum amortization on government-backed insured mortgages reduced to 30 years from 35 years
- Maximum amount that can be borrowed on a mortgage refinancing lowered to 85% from 90%

February 2010 – Department of Finance

- Borrowers with insured mortgage terms of less than five years must meet the standards for a five-year fixed rate mortgage
- Maximum amount that can be borrowed on a mortgage refinancing lowered to 90% from 95%
- Minimum 20% down payment is required in order to qualify for government-backed mortgage insurance on non-owner-occupied properties

July 2008 – Department of Finance

- Maximum amortization on government-backed insured mortgages reduced to 35 years from 40 years
- A minimum 5% down payment is required in order to qualify for government-backed insured mortgages
- Minimum credit score requirements, new loan documentation standards, setting a maximum of 45% on borrowers total debt service ratio

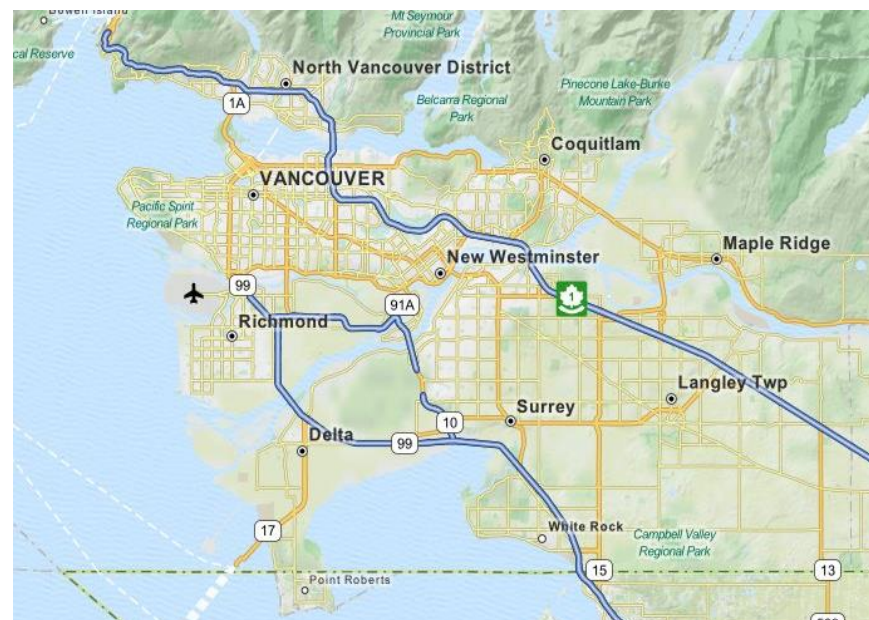
The Toronto and Vancouver downtown condo markets

- Constraints on undeveloped land around Toronto / Vancouver have contributed to a shift to higher-density condo housing
 - Provincial growth plan, including ‘Green belt’ surrounding Toronto, contains urban sprawl and favours condo development
 - Vancouver is restricted in its ability for urban sprawl due to land constraints away from the city centre
- Canada has one of the highest per capita rates of permanent immigration in the world⁽¹⁾
 - 22% of Canada’s population is foreign born (7.5 MM), highest proportion among the G8 nations⁽¹⁾
 - 56% of all new immigrants to Canada move to Toronto, Vancouver or Montreal⁽¹⁾
- RBC’s exposure to condo development is limited – about 3.4% of our Canadian commercial loan book⁽²⁾
 - Condo exposure is 11% of Canadian residential lending portfolio⁽²⁾⁽³⁾

“Green Belt” Surrounding Greater Toronto Area



Vancouver Limited by Mountains, Sea, U.S. Border

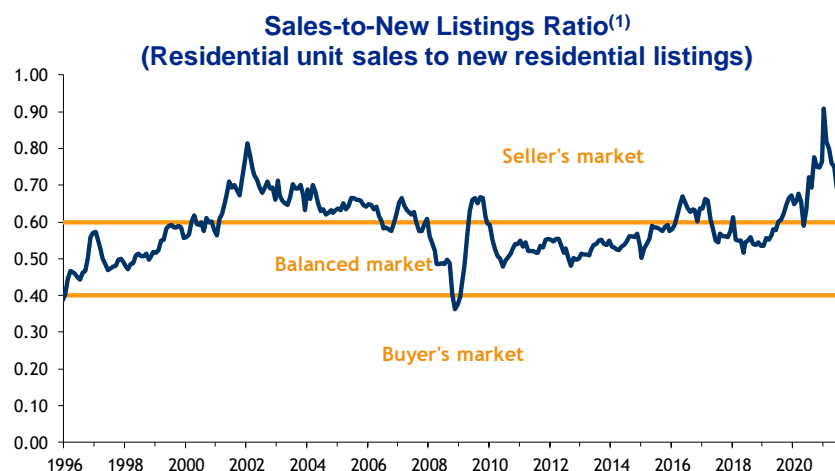


(1) Statistics Canada, 2016 Census. (2) As at July 31, 2021. (3) Based on \$314.0BN in residential mortgages with non-commercial clients and \$35.0BN in HELOC in Canadian Banking. Based on spot balances.

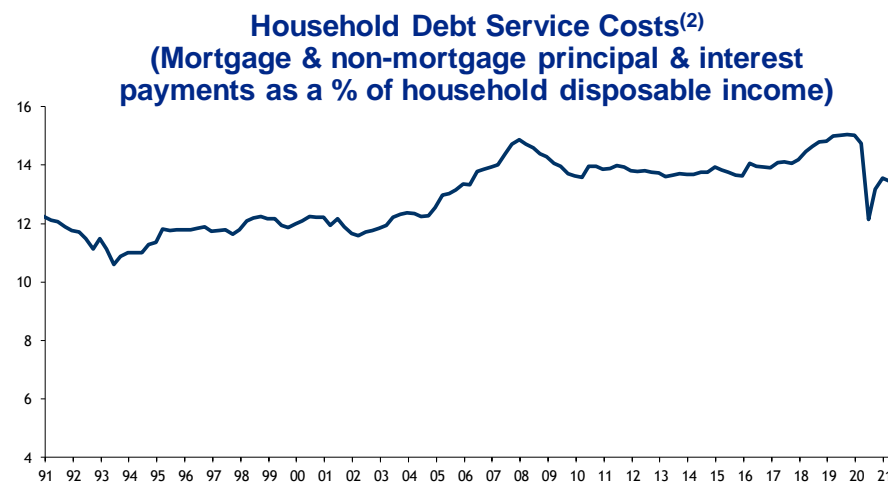
COVID-19 set Canada's housing market on record course

- COVID-19 impacted housing markets in unsuspected ways. Home resales plunged in the spring of 2020 but then strongly rebounded to record levels in the latter stages of 2020 and early of 2021. Pent-up demand, exceptionally low interest rates, changing housing needs and high household savings proved powerful demand drivers despite elevated unemployment and renewed restrictions in the face of the second and third waves of the pandemic
- The strength in the housing market has been uneven. Buyers showed a strong preference for single-family homes and other low-rise categories offering more living space, putting intense pressure on little available supply. Demand for downtown condos, on the other hand, was muted throughout much of 2020 at a time when for-sale inventories have surged—a soft rental market in Canada's largest cities prompted many condo investors to divest. The downtown condo market has shown signs of a turnaround in 2021
- Property value trends reflected the unevenness in the market. Single-family home prices have soared whereas downtown condo prices largely plateaued before beginning to firm up in 2021
- Canada's longer-term housing market fundamentals continue to be favourable despite near-term turbulence. Immigration will be a major driver of housing demand once the current in-migration pullback runs its course
- Lenders maintain strong underwriting discipline and require extensive documentation
 - Most mortgages held on balance sheet and conservative lending policies have led to low delinquency rates

Demand-supply conditions are generally very tight



Historic government aid temporarily lightens debt service costs

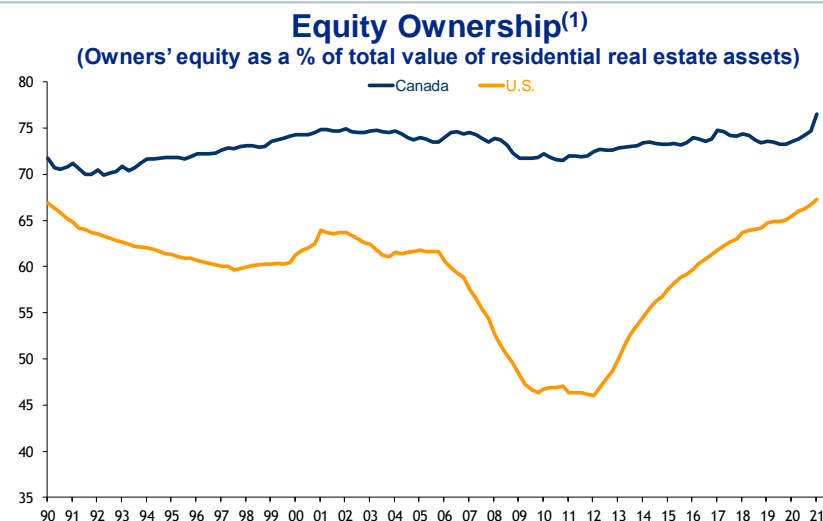


(1) Canadian Real Estate Association, RBC Economics. (2) Statistics Canada, RBC Economics. PDI: Personal Disposable Income.

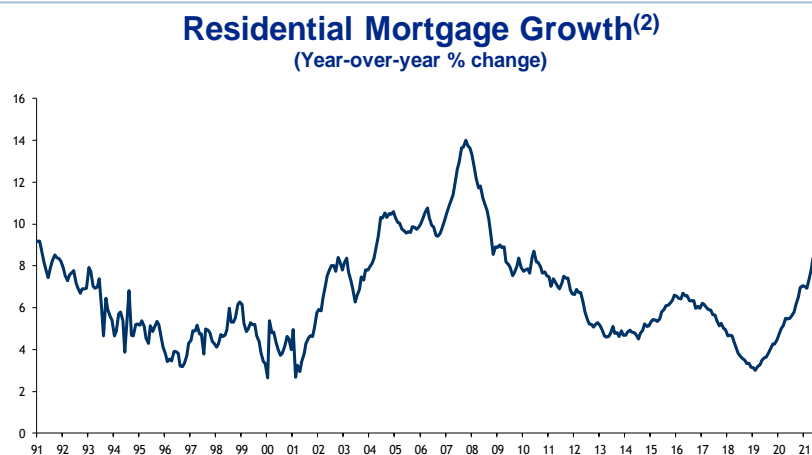
Canadians have significant equity ownership in their homes

- Canadians carry a significant and stable amount of equity in their homes
- The pace of residential mortgage accumulation re-accelerated since mid-2019 after slowing to a 17-year low
- Mortgage delinquency rates remain very low in Canada and have been stable through recent credit cycles
- RBC monitors its residential mortgage and broader retail portfolios closely, and performs stress tests for dramatic movements in house prices, GDP, interest rates, and unemployment rates

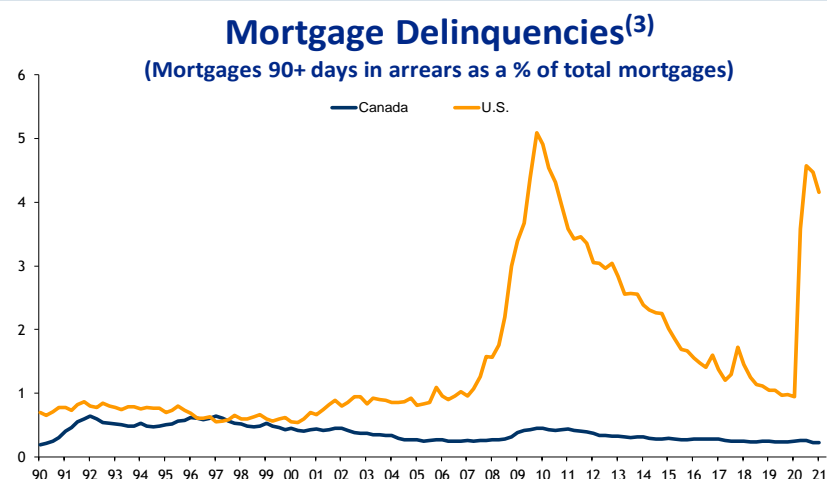
Canadians maintain high levels of equity in their homes



Growth in residential mortgages has re-accelerated



The mortgage delinquency rate still near a 30-year low in Canada

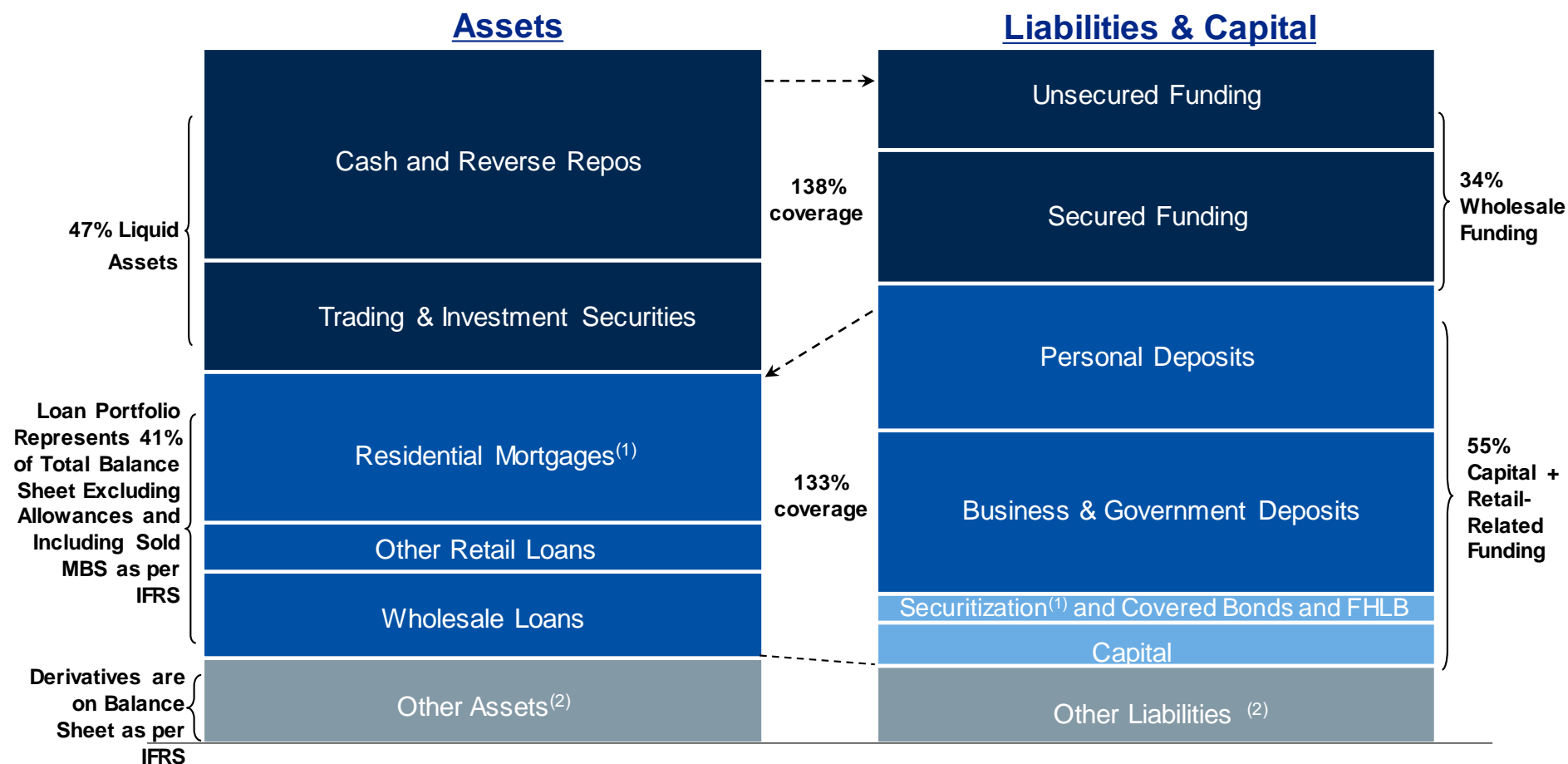


(1) Statistics Canada, Federal Reserve Board, RBC Economics. (2) Bank of Canada, RBC Economics. (3) Canadian Bankers Association, Mortgage Bankers Association, RBC Economics.

Appendix A – Liquidity & Funding

Strength of a high-quality liquid balance sheet

\$1,694 Billion
(as at July 31, 2021)

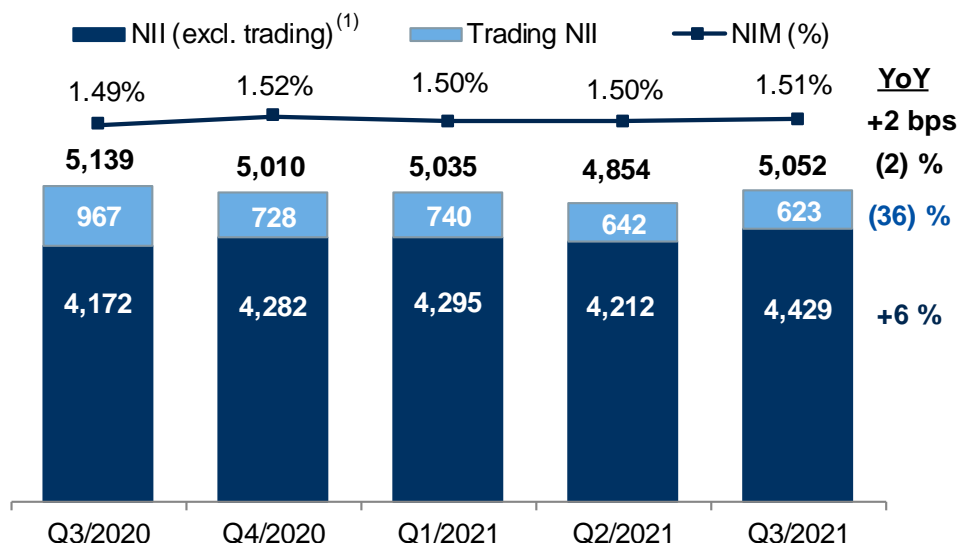


(1) Securitized agency mortgage-backed securities (MBS) are on balance sheet as per IFRS. (2) Other assets include \$102BN of derivative-related assets, largely offset by derivative-related liabilities in Other liabilities. Under IFRS derivative amounts without master netting agreements cannot be offset and the gross derivative assets and liabilities are reported on balance sheet.

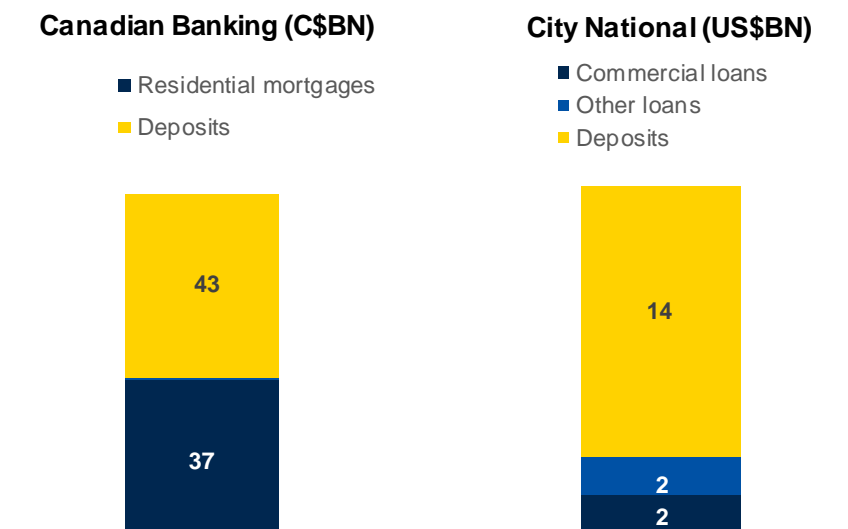
Net interest income: Strong volume growth offset by lower trading results

- Net interest income down 2% YoY as strong volume growth was more than offset by lower spreads and lower trading revenue in Capital Markets
 - Net interest income (ex-trading) was up 6%⁽¹⁾ due to strong volume growth in Canadian Banking and City National
- All-bank NIM on average earning assets was up 2 bps YoY (up 1 bp QoQ)
- Liquidity Coverage Ratio of 125%, down 8 pts QoQ

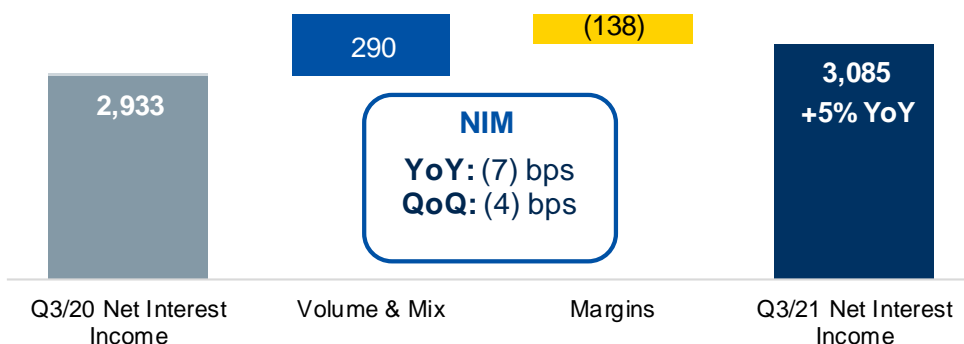
All-Bank Net Interest Income (\$ millions)



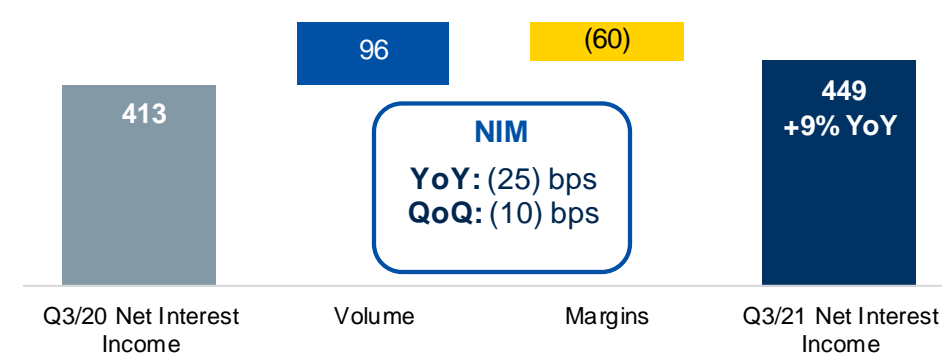
Average YoY Volume Growth (\$ billions)



Canadian Banking Net Interest Income (\$ millions)



City National Net Interest Income (US\$ millions)



(1) This is a non-GAAP measure. For more information see slide 59.

Interest rate sensitivity: Well positioned for rising interest rates

25 bps increase in interest rates

- Roughly half of the Canadian Banking and CNB deposit base is non-interest bearing or low-rate deposits
- Most of U.S. Wealth Management (including CNB) sensitivity to higher interest rates is from the short-end of the curve

Revenue (\$MM)	Short-term rates (flattening curve) ⁽¹⁾	Across the curve ⁽¹⁾
Canadian Banking	\$90 million	\$175 million
U.S. Wealth Management ⁽²⁾	US\$80 million	US\$90 million

100 bps change in interest rates across the curve

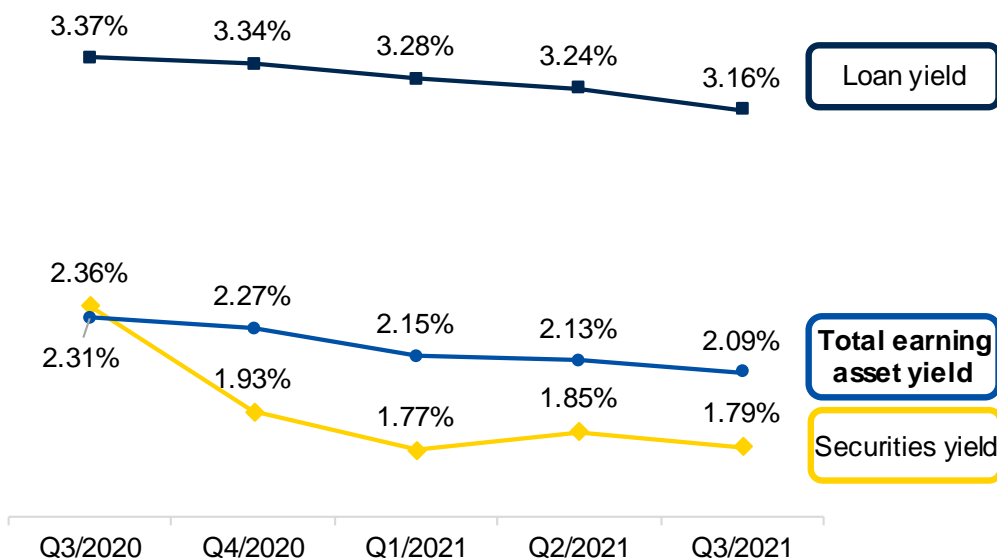
- As at July 31, 2021, an immediate and sustained +100 bps would have had a positive impact to our net interest income of \$1 billion over a 12-month period
- The quarter-over-quarter change in NII sensitivity was largely attributable to deposit growth predominantly in Canada impacting mainly the +100 bps shock, while the -100 bps shock remained relatively stable reflecting low prevailing interest rates
- The below sensitivities are based upon exposures at a specific time, which can change in response to business activities and management actions

Net Interest income (\$MM)	Increase ⁽¹⁾	Decrease ⁽¹⁾
Canadian dollar impact	\$635 million	(\$616) million
U.S. dollar impact	\$367 million	(\$236) million
All-bank	\$1,002 million	(\$852) million

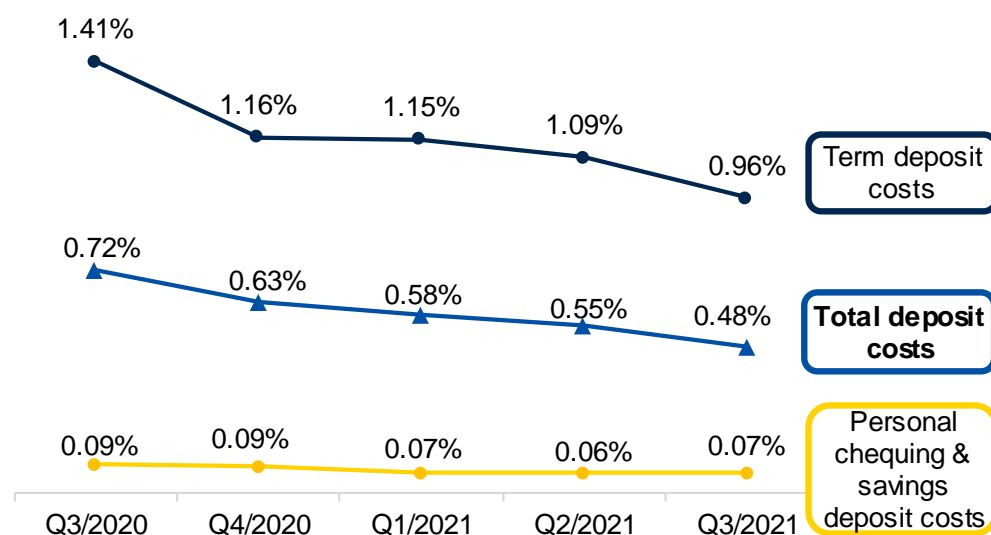
⁽¹⁾ Represents the 12-month revenue exposure (before-tax) to an immediate and sustained shift in interest rates. ⁽²⁾ Includes benefits from our sweep deposits.

Movements in net interest margins

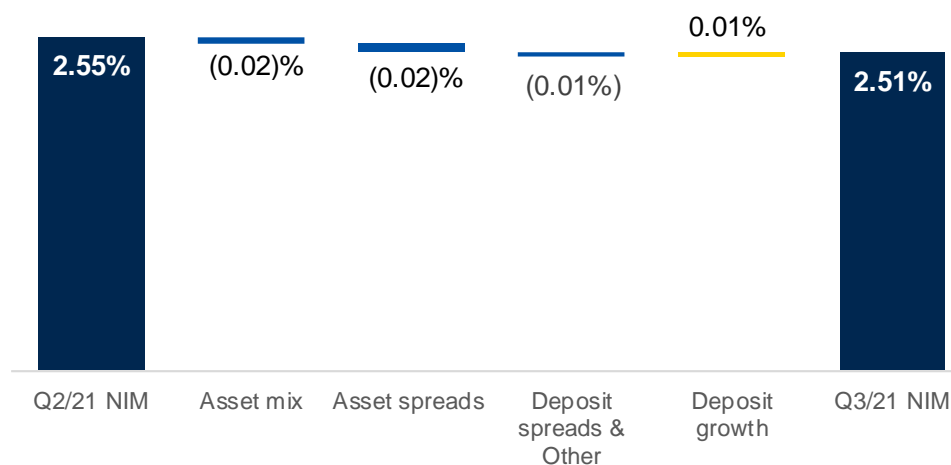
All-Bank Asset Yields⁽¹⁾



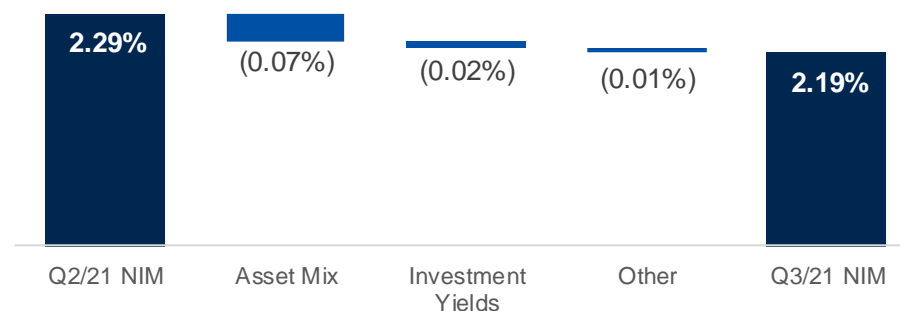
All-Bank Deposit Costs⁽²⁾



Canadian Banking NIM on Average Earning Assets



CNB NIM on Average Earning Assets



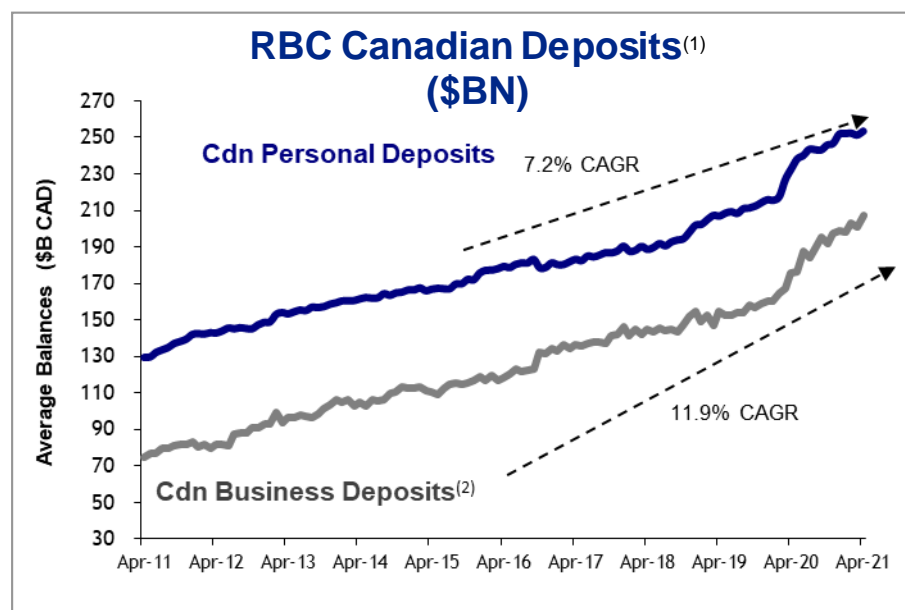
(1) Loan yield is calculated as interest income on loans as a percentage of average total net loans. Total earning asset yield is calculated as interest income on assets as a percentage of average total earning assets. Securities yield is calculated as interest and dividend income on securities as a percentage of average securities, net of applicable allowance. (2) Total deposit costs is calculated as interest expense on deposits and other as a percentage of average deposits. Term-deposit costs is calculated as interest expense on term-deposits as a percentage of average term-deposits. Personal chequing & savings deposit costs is calculated as interest expense on personal chequing & savings deposits as a percentage of average personal chequing & savings deposits. (1-2) These metrics do not have a standardized meaning and may not be comparable to similar measures disclosed by other financial institutions. For more information, see slide 59.

Strong deposit growth

Leveraging the strength of our distribution channels and successful deposit initiatives to drive growth

Canadian relationship deposits

- Canadian relationship deposits continue to grow at accelerated rate
- RBC Canadian personal deposit market share is at 20.4% as of Apr 2021
- RBC Canadian commercial demand deposit market share is at 24.9% as of Apr 2021



RBC Relationship Deposits (\$BN)

	Q3 2021	Q3 2020
HISA ⁽³⁾	\$48	\$40
Advisory Channel Deposits ⁽⁴⁾	\$36	\$42
Other Personal Deposits	\$274	\$256
Business Deposits	\$396	\$353
Total Deposits	\$755	\$691

(1) Sourced from Canadian deposit market share, which is based on OSFI (M4 report). The volume change in Oct '16 was mainly due to a re-class of personal deposit to business deposits.

(2) Canadian Business deposits reflect all platform demand deposits and Canadian Banking term deposit balances only. (3) High Interest Savings Account; Includes CAD and USD deposits.

(4) Sourced largely from RBC Wealth Management network.

Well-diversified wholesale funding platform

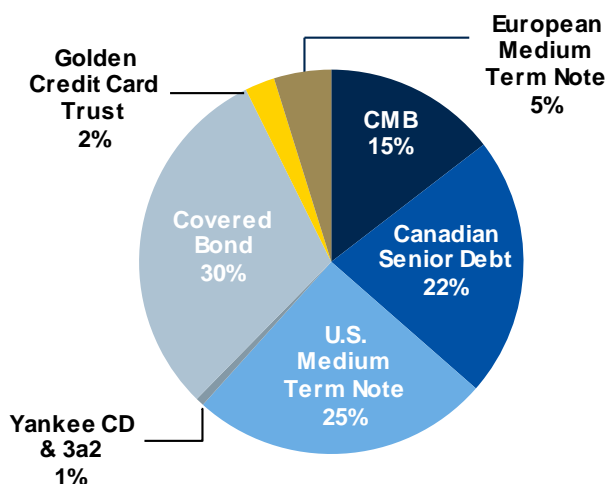
- Well-diversified across products, currencies, investor segments, and geographic regions
- Raise majority of funding in international markets, preserving significant domestic capacity which can be more readily tapped in stressed market conditions
- Regular issuance in all major markets to promote investor engagement and secondary market liquidity

Canada
<ul style="list-style-type: none"> Canadian Shelf (C\$25BN) Securitizations (Canadian mortgage bonds, NHA MBS⁽¹⁾ and credit cards)

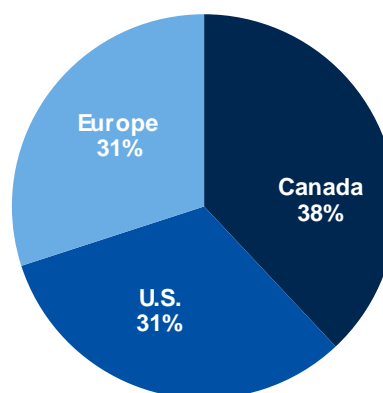
U.S.
<ul style="list-style-type: none"> SEC Registered Shelf (US\$40BN)

Europe and Asia
<ul style="list-style-type: none"> European Debt Issuance Program (US\$40BN) Covered Bond Program (EUR 60BN) Japanese Issuance Programs (JPY 1 trillion)

Well Diversified by Product⁽²⁾



Diversified by Geography⁽²⁾



Recent Deals

- CAD \$1 Billion 60nc5 Additional Tier 1 Limited Recourse Capital Notes at a rate of 3.65%
- GBP \$1.25 Billion 5 year covered bonds at Libor+17bps
- USD \$750 Million 5 year green unsecured at Libor+31bps
- USD \$1.5 Billion 3 year unsecured at Libor+19bps
- CAD \$1 Billion 7 year unsecured at Libor+58bps

(1) National Housing Act Mortgage Backed Securities. (2) As at July 31, 2021.

RBC Covered Bond Program

Globally Active

- Active program in six different currencies: EUR, CAD, USD, CHF, AUD and GBP
 - C\$44BN currently outstanding

Strong Issuer

- Largest Canadian bank by market capitalization
- Strong credit ratings
- Well capitalized and consistent historical profitability
- Well diversified business mix

Canadian Legislative Changes



- Canadian legislation protects claims of covered bond investors and overrides any other conflicting law related to bankruptcy and insolvency
 - Extensive regulatory oversight and pool audit requirements
 - Mandatory property value indexation

U.S. Market



- Active U.S. dollar covered bond issuer
- Several benchmark bonds outstanding
- Broad U.S. investor base
 - Issued US\$18.7BN across eleven deals since September 2012
 - Trace eligible

Note to users

We use a variety of financial measures to evaluate our performance. In addition to generally accepted accounting principles (GAAP) prescribed measures, we use certain key performance and non-GAAP measures we believe provide useful information to investors regarding our financial condition and result of operations. Readers are cautioned that key performance measures, such as ROE and non-GAAP measures, including amounts excluding Corporate Support, pre-provision, pre-tax earnings, average loans and acceptances excluding certain items, and cash earnings excluding the after-tax effect of amortization of intangibles, do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other financial institutions.

Additional information about our ROE and non-GAAP measures can be found under the “Key performance and non-GAAP measures” sections of our 2020 Annual Report and Q3 2021 Report to Shareholders, as well as in our Q3 2021 Supplementary Financial Information.

Definitions can be found under the “Glossary” sections in our Q3 2021 Supplementary Financial Information and our 2020 Annual Report.

Investor Relations Contacts	
Nadine Ahn, SVP Wholesale Finance and Investor Relations	(416) 974-3355
Asim Imran, Vice President, Investor Relations	(416) 955-7804
Marco Giurleo, Senior Director, Investor Relations	(416) 955-2546
 www.rbc.com/investorrelations	