



Capital
Markets

INDEX LINKED SECURITIES | RBC GLOBAL INVESTMENT SOLUTIONS

RBC Solactive Canada Banks AR Index Callable Yield 7.50% Securities (CAD), **Series 504**
Non-Principal Protected Security

7.0 year term

Performance linked to the
Solactive Equal Weight
Canada Banks 5% AR Index

Potential 7.5000%
coupon per annual
period

Subscriptions Close

on or about
January 28, 2022

FUNDSERV

RBC7704

Autocall Observation
Dates

August 2, 2022 and
quarterly thereafter

This summary is qualified in its entirety by a pricing supplement (the “Pricing Supplement”), the base shelf prospectus dated February 27, 2020, the program prospectus supplement dated February 27, 2020 and the product prospectus supplement dated February 27, 2020 in respect of index linked securities.

www.rbcnotes.com

KEY TERMS

Issuer:	Royal Bank of Canada
Issuer Credit Ratings:	Moody's: Aa2; S&P: AA-; DBRS: AA
Currency:	CAD
Minimum Investment:	50 Securities or \$5,000
Term:	Approximately 7.0 years
Principal at Risk:	The Securities are not principal protected.
Underlying Index:	The return on the Securities is linked to the adjusted returns of the Solactive Equal Weight Canada Banks 5% AR Index (the “ Underlying Index ”). The Underlying Index is an adjusted return index that aims to track the gross total return performance of the Solactive Equal Weight Canada Banks Index (the “ Target Index ”), subject to a reduction of a synthetic dividend of 5.00% per annum calculated daily in arrears (the “ Adjusted Return Factor ”). For the avoidance of doubt, the return on the Securities is linked to the Underlying Index and is not linked to the Target Index. The Closing Level on January 13, 2022 was 214.41. The Adjusted Return Factor will therefore result in a reduction of a synthetic dividend of 0.02978 index points on January 14, 2022. If an Autocall Redemption Event does not occur and the closing level of the Target Index does not change, over the term of the Securities, the sum of the Adjusted Return Factor will result in an aggregate reduction of synthetic dividends of approximately 64.48 index points, representing 30.07% of the Closing Level on January 13, 2022. If the closing level of the Target Index changes over the term of the Securities, the aggregate reduction of synthetic dividends may be higher or lower than 64.48 index points. Securities do not represent an interest in the Underlying Index, the Target Index or in the securities of the entities that comprise the Target Index, and holders will have no right or entitlement to such securities including, without limitation, redemption rights (if any), voting rights or rights to receive dividends or other distributions paid on such securities.
Issue Date:	February 4, 2022
Initial Index Level:	The “ Initial Index Level ” is the Closing Level on January 31, 2022 (the “ Initial Valuation Date ”).
Protection Barrier Level:	The “ Protection Barrier Level ” is 80.00% of the Initial Index Level.
Coupon Barrier Level:	The “ Coupon Barrier Level ” is 80.00% of the Initial Index Level.
Final Index Level:	The “ Final Index Level ” is the Closing Level on January 31, 2029 (the “ Final Valuation Date ”).
Closing Level:	The “ Closing Level ” on any date is the official closing level of the Underlying Index quoted on www.solactive.com for such date, as determined by the Calculation Agent.
Maturity Date:	February 5, 2029

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

KEY TERMS CONTINUED

Observation Dates:	<p>An “Observation Date” for the purposes of determining the amount of any Interest Payment will occur quarterly on the dates specified below in each year that the Securities are outstanding, from and including May 2, 2022 to and including January 31, 2029. If any such Observation Date is not an Exchange Day, it shall be postponed to the next succeeding Exchange Day.</p> <p>Provided that the Securities are not redeemed by the Bank as described below, the Bank intends the Observation Dates to be:</p> <table border="0"> <tr> <td>May 2, 2022</td> <td>August 2, 2022</td> <td>October 31, 2022</td> <td>January 31, 2023</td> </tr> <tr> <td>May 1, 2023</td> <td>July 31, 2023</td> <td>October 31, 2023</td> <td>January 31, 2024</td> </tr> <tr> <td>April 30, 2024</td> <td>July 31, 2024</td> <td>October 31, 2024</td> <td>January 31, 2025</td> </tr> <tr> <td>April 30, 2025</td> <td>July 31, 2025</td> <td>October 31, 2025</td> <td>February 2, 2026</td> </tr> <tr> <td>April 30, 2026</td> <td>July 31, 2026</td> <td>November 2, 2026</td> <td>February 1, 2027</td> </tr> <tr> <td>April 30, 2027</td> <td>August 3, 2027</td> <td>November 1, 2027</td> <td>January 31, 2028</td> </tr> <tr> <td>May 1, 2028</td> <td>July 31, 2028</td> <td>October 31, 2028</td> <td>January 31, 2029</td> </tr> </table>	May 2, 2022	August 2, 2022	October 31, 2022	January 31, 2023	May 1, 2023	July 31, 2023	October 31, 2023	January 31, 2024	April 30, 2024	July 31, 2024	October 31, 2024	January 31, 2025	April 30, 2025	July 31, 2025	October 31, 2025	February 2, 2026	April 30, 2026	July 31, 2026	November 2, 2026	February 1, 2027	April 30, 2027	August 3, 2027	November 1, 2027	January 31, 2028	May 1, 2028	July 31, 2028	October 31, 2028	January 31, 2029
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Interest Payment Dates:	<p>The “Interest Payment Date” for an Interest Payment, if any, will occur quarterly on the dates specified below in each year that the Securities are outstanding, from and including May 5, 2022 to and including February 5, 2029. Provided that the Securities are not redeemed by the Bank as described below, the Bank intends the Interest Payment Dates to be:</p> <table border="0"> <tr> <td>May 5, 2022</td> <td>August 5, 2022</td> <td>November 3, 2022</td> <td>February 3, 2023</td> </tr> <tr> <td>May 4, 2023</td> <td>August 3, 2023</td> <td>November 3, 2023</td> <td>February 5, 2024</td> </tr> <tr> <td>May 3, 2024</td> <td>August 6, 2024</td> <td>November 5, 2024</td> <td>February 5, 2025</td> </tr> <tr> <td>May 5, 2025</td> <td>August 6, 2025</td> <td>November 5, 2025</td> <td>February 5, 2026</td> </tr> <tr> <td>May 5, 2026</td> <td>August 6, 2026</td> <td>November 5, 2026</td> <td>February 4, 2027</td> </tr> <tr> <td>May 5, 2027</td> <td>August 6, 2027</td> <td>November 4, 2027</td> <td>February 3, 2028</td> </tr> <tr> <td>May 4, 2028</td> <td>August 3, 2028</td> <td>November 3, 2028</td> <td>February 5, 2029</td> </tr> </table>	May 5, 2022	August 5, 2022	November 3, 2022	February 3, 2023	May 4, 2023	August 3, 2023	November 3, 2023	February 5, 2024	May 3, 2024	August 6, 2024	November 5, 2024	February 5, 2025	May 5, 2025	August 6, 2025	November 5, 2025	February 5, 2026	May 5, 2026	August 6, 2026	November 5, 2026	February 4, 2027	May 5, 2027	August 6, 2027	November 4, 2027	February 3, 2028	May 4, 2028	August 3, 2028	November 3, 2028	February 5, 2029
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Interest Payments:	<p>Interest payments (the “Interest Payments” and each, an “Interest Payment”), if any, on the Securities will be payable on each Interest Payment Date, in arrears, at a fixed interest rate of 1.8750% quarterly ending on an Interest Payment Date (an “Interest Period”) for each Interest Period in which a Digital Payout Event occurs on the Observation Date occurring in the Interest Period. On the basis of the foregoing, the interest on each \$100 Principal Amount of Securities for an Interest Period in which a Digital Payout Event has occurred would equal $\\$100 \times 1.8750\%$.</p> <p>Thus, if a Digital Payout Event occurs:</p> <p>(a) on each Observation Date in any twelve-month period, the amount of interest payable on each \$100 Principal Amount of Securities for that twelve-month period will be \$7.50;</p> <p>(b) on three out of the four Observation Dates in any twelve-month period, the amount of interest payable on each \$100 Principal Amount of Securities for that twelve-month period will be \$5.625;</p> <p>(c) on two out of the four Observation Dates in any twelve-month period, the amount of interest payable on each \$100 Principal Amount of Securities for that twelve-month period will be \$3.75; and</p> <p>(d) on one out of the four Observation Dates in any twelve-month period, the amount of interest payable on each \$100 Principal Amount of Securities for that twelve-month period will be \$1.875.</p> <p>If a Digital Payout Event does not occur on the Observation Date during a particular Interest Period, no interest will be payable on the Securities for such Interest Period.</p>																												
Digital Payout Event:	<p>A “Digital Payout Event” will occur if, on the relevant Observation Date, the Closing Level is greater than or equal to the Coupon Barrier Level.</p>																												
Autocall Redemption Event:	<p>An “Autocall Redemption Event” will occur if the Closing Level on an Observation Date other than the first and last Observation Dates is greater than or equal to 110.00% of the Initial Index Level (the “Autocall Redemption Level”). On the next succeeding Interest Payment Date following the occurrence of an Autocall Redemption Event (the “Autocall Redemption Date”) the Securities will be redeemed for an amount equal to the Principal Amount thereof (the “Autocall Redemption Amount”). In addition to the Autocall Redemption Amount, an Interest Payment will be paid on the Autocall Redemption Date.</p>																												
Payment at Maturity:	<p>On the Maturity Date, if the Securities have not been previously redeemed, the amount payable (the “Final Redemption Amount”) for each \$100 Principal Amount per Security will be equal to:</p> <p>(a) if the Final Index Level is greater than or equal to the Protection Barrier Level, \$100; or</p> <p>(b) if the Final Index Level is less than the Protection Barrier Level, an amount equal to the Index Return, but in any event not less than \$1.00.</p> <p>In addition to the Final Redemption Amount, an Interest Payment will be paid on the Maturity Date if a Digital Payout Event occurs on the Final Valuation Date.</p>																												
Index Return:	<p>“Index Return” means $\\$100 \times (X_f / X_i)$, where: “X_f” means the Final Index Level, and “X_i” means the Initial Index Level.</p>																												

Early Trading Charge Schedule:

If Sold Within the Following No. of Days from the Issue Date

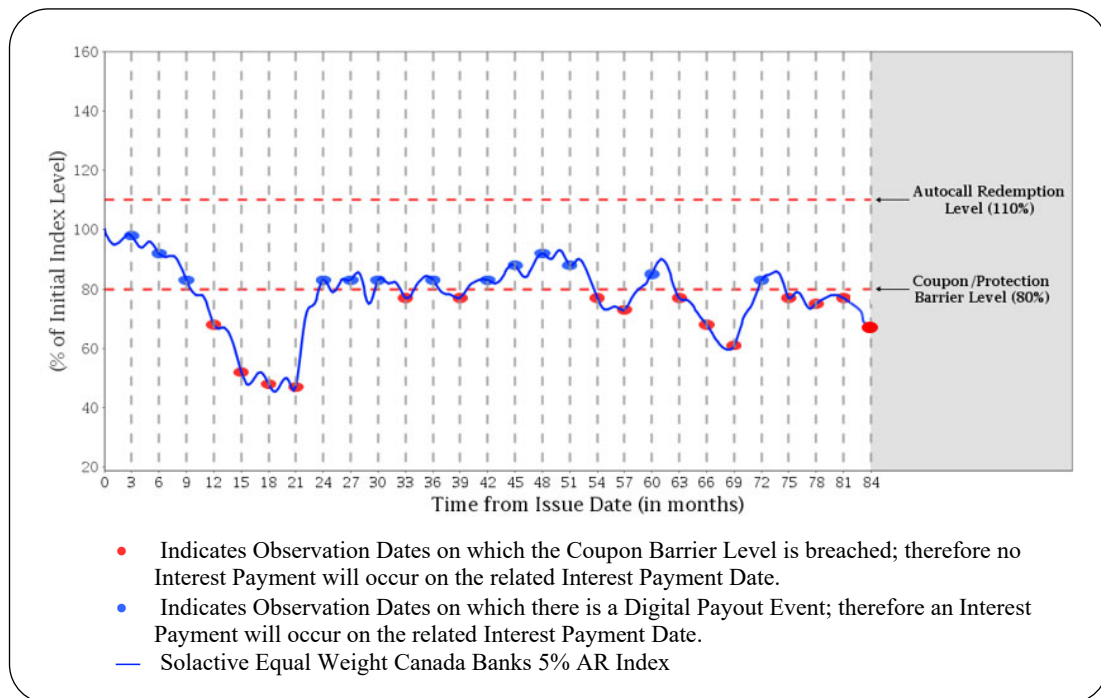
Early Trading Charge (% of Principal Amount)

1 - 60 days	3.00%
61 - 120 days	2.00%
121 - 180 days	1.00%
Thereafter	Nil

Sample Calculations of Final Redemption Amount or Autocall Redemption Amount and Interest Payments:

The examples set out below are included for illustration purposes only. The performance of the Underlying Index used to illustrate the calculation of the Final Redemption Amount or Autocall Redemption Amount and the Interest Payments over the term of the Securities is not an estimate or forecast of the performance of the Underlying Index or the Securities. All examples assume that a holder of the Securities has purchased Securities with an aggregate Principal Amount of \$100 and that no Extraordinary Event has occurred. All examples assume a Coupon Barrier Level of 80.00% of the Initial Index Level, a Protection Barrier Level of 80.00% of the Initial Index Level and an Autocall Redemption Level of 110.00% of the Initial Index Level. For convenience, each vertical line in the charts below represents both a hypothetical Observation Date and the next succeeding Interest Payment Date. Certain dollar amounts are rounded to the nearest whole cent.

Example #1: Loss Scenario with Payment on the Maturity Date at Less Than Par



In this scenario, there is no Observation Date on which the Closing Level is at or above the Autocall Redemption Level and, accordingly, the Securities would not be redeemed before the Maturity Date. On the Final Valuation Date, the Final Index Level is below the Protection Barrier Level.

(i) Interest Payments

In this example, there is a Digital Payout Event on 13 of the 28 Observation Dates. On the other 15 Observation Dates, no Digital Payout Event would occur because the Closing Level is below the Coupon Barrier Level. Therefore, the Interest Payment of \$1.875 per Interest Period would be payable for 13 Interest Periods on the applicable Interest Payment Date, for total Interest Payments of:

$$\text{Principal Amount of Securities} \times 1.8750\% \text{ per Interest Period} \times 13 \text{ Interest Periods}$$

$$\$100 \times 1.8750\% \times 13 = \$24.38$$

(ii) Final Redemption Amount

In this example, the Initial Index Level (Xi) is 214.41 and the Final Index Level (Xf) is 150.09. Therefore, the Final Redemption Amount is as follows:

$$\$100 \times (Xf / Xi)$$

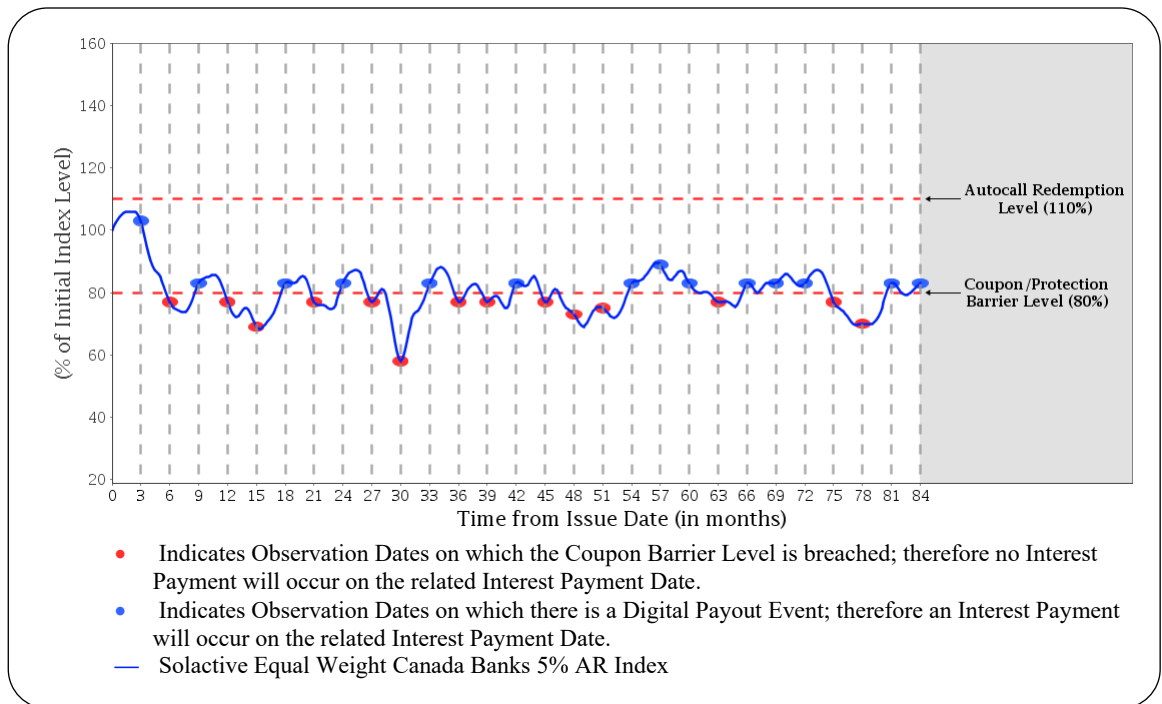
$$\$100 \times (150.09 / 214.41) = \$70.00$$

Therefore, the total amounts payable per Security from the Issue Date to the Maturity Date are:

- (a) Total Interest Payments: \$24.38
- (b) Final Redemption Amount: \$70.00
- (c) Total amount paid over the term of the Securities: \$94.38

The equivalent annually compounded rate of return in this example is -0.82%.

Example #2: Gain Scenario with Payment on the Maturity Date at Par



In this scenario, there is no Observation Date on which the Closing Level is at or above the Autocall Redemption Level and, accordingly, the Securities would not be redeemed before the Maturity Date. On the Final Valuation Date, the Final Index Level is at or above the Protection Barrier Level.

(i) Interest Payments

In this example, there is a Digital Payout Event on 14 of the 28 Observation Dates. On the other 14 Observation Dates, no Digital Payout Event would occur because the Closing Level is below the Coupon Barrier Level. Therefore, the Interest Payment of \$1.875 per Interest Period would be payable for 14 Interest Periods on the applicable Interest Payment Date for total Interest Payments of:

$$\text{Principal Amount of Securities} \times 1.8750\% \text{ per Interest Period} \times 14 \text{ Interest Periods}$$

$$\$100 \times 1.8750\% \times 14 = \$26.25$$

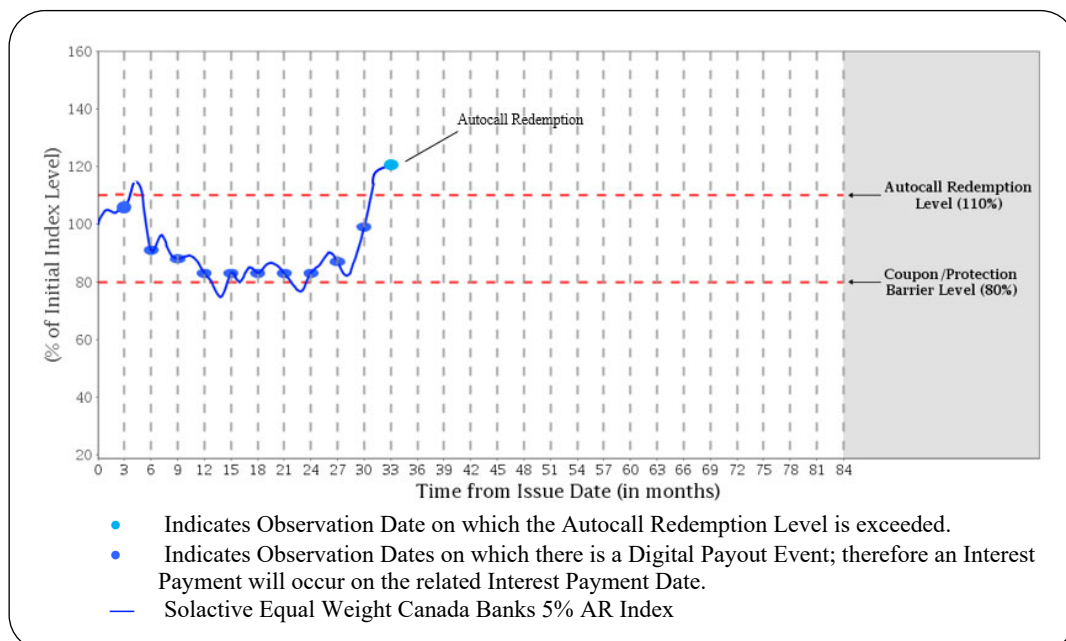
(ii) Final Redemption Amount

In this example, since the Final Index Level is 175.82, which is above the Protection Barrier Level of 80.00% of the Initial Index Level of 214.41, being 171.53, the Final Redemption Amount per Security is equal to \$100.00. Therefore, the total amounts payable per Security from the Issue Date to the Maturity Date are:

- (a) Total Interest Payments: \$26.25
- (b) Final Redemption Amount: \$100.00
- (c) Total amount paid over the term of the Securities: \$126.25

The equivalent annually compounded rate of return in this example is 3.39%.

Example #3: Gain Scenario with Autocall Redemption Event



In this scenario, the Closing Level is at or above the Autocall Redemption Level on the Observation Date that falls 33 months into the term of the Securities. This would constitute an Autocall Redemption Event and, on the next succeeding Interest Payment Date, the Bank would redeem the Securities.

(i) Interest Payments

In this example, there is a Digital Payout Event on each of the 11 Observation Dates prior to the redemption of the Securities because the Closing Level is at or above the Coupon Barrier Level on each such date. Therefore, the Interest Payment of \$1.875 per Interest Period would be payable for each Interest Period on the applicable Interest Payment Date (including on the Autocall Redemption Date), for total Interest Payments of:

$$\text{Principal Amount of Securities} \times 1.8750\% \text{ per Interest Period} \times 11 \text{ Interest Periods} \\ \$100 \times 1.8750\% \times 11 = \$20.63$$

(ii) Autocall Redemption Amount

The Autocall Redemption Amount per Security is equal to \$100.00.

Therefore, the total amounts payable per Security from the Issue Date to the Autocall Redemption Date are:

- (a) Total Interest Payments: \$20.63
- (b) Autocall Redemption Amount: \$100.00
- (c) Total amount paid over the term of the Securities: \$120.63

The equivalent annually compounded rate of return in this example is 7.06%.

Initial
Estimated
Value:

The initial estimated value of the Securities as of January 17, 2022 was \$94.86 per Security, which is less than the price to the public and is not an indication of the actual profit to the Bank or its affiliates. The actual value of the Securities at any time will reflect many factors, cannot be predicted with accuracy, and may be less than this amount. The initial estimated value of the Securities is an estimate only and is based on the value of the Bank's obligation to make the payments on the Securities. We describe our determination of the initial estimated value in more detail in the Pricing Supplement.

The Solactive Equal Weight Canada Banks 5% AR Index is owned, calculated, administered and published by Solactive AG ("Solactive"), and the name "Solactive" is a registered trademark of Solactive. The Solactive Equal Weight Canada Banks 5% AR Index has been licensed for use by the Bank in connection with the Securities. The Securities are not sponsored, promoted, sold or supported in any other manner by Solactive and Solactive makes no representation or warranty, express or implied, regarding the advisability of investing in such product(s). Solactive does not guarantee the accuracy or completeness of the Solactive Equal Weight Canada Banks 5% AR Index or the Solactive Equal Weight Canada Banks Index, any data included therein, or any data from which it is derived, nor has any liability for any errors, omissions, or interruptions therein.

All capitalized terms unless otherwise defined have the meanings ascribed to them in the Pricing Supplement.

Clients should evaluate the financial, market, legal, regulatory, credit, tax and accounting risks and consequences of the proposal before entering into any transaction, or purchasing any instrument. Clients should evaluate such risks and consequences independently of Royal Bank of Canada and the Dealers, RBC Dominion Securities Inc. and Laurentian Bank Securities Inc., respectively.

The Securities will not constitute deposits insured under the *Canada Deposit Insurance Corporation Act*. The Securities are structured products that possess downside risk.

An investment in the Securities involves risks. The Securities are linked to the Underlying Index which reflects (i) the applicable price changes of the constituent securities of the Target Index and any dividends and distributions paid in respect of such securities, without deduction of any withholding tax or other amounts accruing thereon to which an investor holding the constituent securities of the Target Index would typically be exposed, less (ii) the Adjusted Return Factor. An investment in the Securities is not the same as a direct investment in the securities that comprise the Target Index to which the Securities are linked and investors have no rights with respect to the securities underlying such index. The return on the Securities will not reflect the total return that an investor would receive if such investor owned the securities that comprise the Target Index. The Securities are considered to be "specified derivatives" under applicable Canadian securities laws. If you purchase Securities, you will be exposed to changes in the level of the Underlying Index and fluctuations in interest rates, among other factors. Index levels are volatile and an investment in the Securities may be considered to be speculative. Since the Securities are not principal protected and the Principal Amount will be at risk, you could lose substantially all of your investment.

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