



RBC Principal Protected Guaranteed Return Enhanced Yield LEOS[®] (CAD), Series 281

5 year Term

100% Principal
Protection at Maturity

3.50% - 6.00%
Coupon in Years 1-5

Offering Closes

August 5, 2022

FundSERV

RBC4281

Issue Date

August 9, 2022

Maturity Date

August 12, 2027

Currency

CAD

Website

www.rbcnotes.com

This Note is a 5 year investment designed to provide annual income based on exposure to an equally weighted Canadian Equity Portfolio. Investors will receive a minimum coupon of 3.50%, to a maximum of 6.00% in years 1-5 based on the price performance of a portfolio of 10 Canadian companies. The principal amount is guaranteed by RBC at maturity. The maturity date is August 12, 2027.

INVESTMENT HIGHLIGHTS

Income Potential: Minimum Coupon of 3.50%, to a maximum of 6.00% in Years 1-5, based on the price performance of the Shares in the Equity Portfolio where performance per Share is measured from inception to each annual coupon valuation date, subject to a maximum of 6.00% and a minimum of -10%. Notes do not represent an interest in the securities of the companies that comprise the Equity Portfolio, and holders will have no right or entitlement to such securities including the dividends and other distributions paid on these securities. The indicative dividend yield on the Equity Portfolio as of June 30, 2022 was 5.23%, representing an aggregate dividend yield of approximately 29.03% annually compounded over the 5 year term, on the assumption that the dividend yield remains constant.

Principal Protection: Royal Bank of Canada guarantees the principal amount at maturity. RBC is rated Aa1 by Moody's, AA- by Standard and Poors and AA by DBRS.

Liquidity: The Notes are tradeable in a daily secondary market, subject to availability, which RBC Capital Markets will use reasonable efforts to provide as outlined in the Information Statement. An early trading charge may apply (initially 3.00%, reducing to 0% after 540 days). Proceeds on sale may be less than the \$100 Principal Amount.

Registered Account Eligible: RRSPs, RRFs, TFSA's, RDSPs, RESPs and DPSPs.

EQUITY PORTFOLIO:

An equally weighted portfolio of the TSX-listed shares of the following companies (each a "Share")

Company Name	Symbol	Company Name	Symbol
BCE Inc.	BCE	Great-West Lifeco Inc.	GWO
Enbridge Inc.	ENB	Canadian Utilities Ltd	CU
IGM Financial, Inc.	IGM	Pembina Pipeline Corporation	PPL
Brookfield Infrastructure Partners L.P.	BIP-U	Bank of Montreal	BMO
Capital Power Corporation	CPX	Royal Bank of Canada	RY

The deposit notes are not insured under the Canada Deposit Insurance Corporation Act.

The Notes are not conventional notes or debt securities. For the various risks associated with such an investment, please see the Risk Factors section of the Information Statement.

SAMPLE CALCULATIONS OF INTEREST

The examples set out below are included for illustration purposes only. The prices of the Shares included in the Equity Portfolio used to illustrate the calculation of interest are not estimates or forecasts of the prices of the Shares on which the Original Valuation Price, the Annual Valuation Prices, and/or the calculation of the Share Return Percentages, and in turn Variable Interest, if any, will depend. All examples assume that no Extraordinary Event has occurred. Capitalized terms which are not otherwise defined herein are defined under “Definitions” in the Information Statement.

Example #1 – Hypothetical calculation of Variable Interest per Note in respect of an Annual Period, where the Variable Interest paid is positive. It is assumed that the Original Valuation Price and Annual Valuation Price for each Share are as illustrated below (hypothetical). The Share Return Percentages used to calculate interest payable in respect of the Annual Period would be calculated as follows:

Company Name	Symbol	Original Valuation Price	Annual Valuation Price	Percentage Change	Share Return Percentage
BCE Inc.	BCE	63.27	73.27	15.80%	6.00%
Enbridge Inc.	ENB	54.36	56.81	4.50%	6.00%
IGM Financial, Inc.	IGM	34.50	39.67	15.00%	6.00%
Brookfield Infrastructure Partners L.P.	BIP-U	49.18	50.21	2.10%	6.00%
Capital Power Corporation	CPX	45.01	46.63	3.60%	6.00%
Great-West Lifeco Inc.	GWO	31.43	35.23	12.10%	6.00%
Canadian Utilities Ltd	CU	38.39	43.46	13.20%	6.00%
Pembina Pipeline Corporation	PPL	45.50	45.49	-0.01%	-0.01%
Bank of Montreal	BMO	123.78	135.04	9.10%	6.00%
Royal Bank of Canada	RY	124.64	143.21	14.90%	6.00%
Average of Share Return Percentages					5.40%
Interest for Annual Period					5.40%

Example #2 – Hypothetical calculation of Variable Interest per Note in respect of an Annual Period, where the average of the Share Return Percentages is negative. It is assumed that the Original Valuation Price and Annual Valuation Price for each Share are as illustrated below (hypothetical). The Share Return Percentages used to calculate interest payable in respect of the Annual Period would be calculated as follows:

Company Name	Symbol	Original Valuation Price	Annual Valuation Price	Percentage Change	Share Return Percentage
BCE Inc.	BCE	63.27	62.95	-0.50%	-0.50%
Enbridge Inc.	ENB	54.36	48.00	-11.70%	-10.00%
IGM Financial, Inc.	IGM	34.50	26.98	-21.80%	-10.00%
Brookfield Infrastructure Partners L.P.	BIP-U	49.18	54.59	11.00%	6.00%
Capital Power Corporation	CPX	45.01	38.71	-14.00%	-10.00%
Great-West Lifeco Inc.	GWO	31.43	23.73	-24.50%	-10.00%
Canadian Utilities Ltd	CU	38.39	44.42	15.70%	6.00%
Pembina Pipeline Corporation	PPL	45.50	43.00	-5.50%	-5.50%
Bank of Montreal	BMO	123.78	114.00	-7.90%	-7.90%
Royal Bank of Canada	RY	124.64	135.86	9.00%	6.00%
Average of Share Return Percentages					-3.59%
Interest for Annual Period					3.50%

Share Return Percentage: The Share Return Percentage for a Share in the Equity Portfolio in respect of a particular Annual Period will be determined as follows:

- If the Percentage Change measured from the Share’s official closing price on the Initial Valuation Date to its official closing price on the first Exchange Day immediately preceding the Anniversary Date marking the end of such Annual Period is greater than zero, the Share Return Percentage will be 6.00%; and
- If the Percentage Change in the price of such Share is equal to or less than zero, the Share Return Percentage will be the actual Percentage Change (which, in such circumstances, will be zero or a negative percentage), provided that if the actual Percentage Change is equal to or less than -10.00%, the Percentage Change for such Share shall be deemed to be -10.00%.

All capitalized terms unless defined herein, will have the meanings ascribed to them in the Information Statement.

An investment in the Deposit Notes provides opportunities for investment but may pose risks. See further details under “Risk Factors” in the Information Statement. Specific risks include:

- The maximum amount of Variable Interest that a Noteholder could receive over the term of the Notes is \$30.00 per Note, or a variable amount between 3.50% and 6.00% of the Principal Amount in the first to the fifth Annual Periods.
- Noteholders do not have ownership in the Shares and therefore are not entitled to receive dividends or other distributions paid thereon. The dividend yield of the Equity Portfolio was 5.23% as of June 30, 2022 which would equate to 29.03% over the term of the notes assuming dividends remain constant and are not re-invested.
- Secondary Market Price – The price for the notes in any secondary market will be based on market conditions and could be above or below the \$100 Principal Amount, subject to an early trading fee of up to 3.00%. RBC reserves the right to not make a secondary market.
- Extraordinary Events– The payment of Variable Interest could be accelerated or delayed due to the occurrence of certain Extraordinary Events.

The Information Statement in respect of the RBC Principal Protected Guaranteed Return Enhanced Yield LEOS® (CAD), Series 281 (the “Information Statement”) and this highlight document do not constitute an offer or invitation by anyone in any jurisdiction in which such offer is not authorized or to any person to whom it is unlawful to make such offer or invitation.