



RBC Principal Protected S&P 500® LEOS® (USD), Series 21

5 year term

100% Principal
Protection at Maturity

S&P 500® Index

Offering Closes

August 12, 2022

FundSERV

RBC1941

Issue Date

August 16, 2022

Maturity Date

August 19, 2027

Website

www.rbcnotes.com

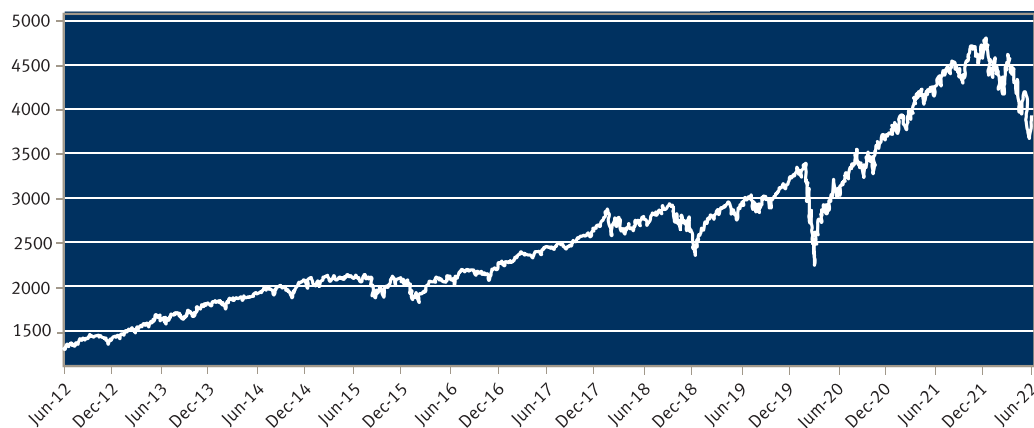
The deposit notes are not insured under the Canada Deposit Insurance Corporation Act. The Notes are not conventional notes or debt securities. For the various risks associated with such an investment, please see the Risk Factors section of the Information Statement.

INVESTMENT HIGHLIGHTS

Issuer:	Royal Bank of Canada
Currency:	USD
Term:	Approximately 5 years
Underlying Index:	The Variable Return will be determined by reference to the price performance of the S&P 500® Index. Notes do not represent an interest in the Index or in the securities of the companies that comprise the Index. Holders have no right or entitlement to the dividends or other distributions paid on these securities. The indicative dividend yield of the Index as of July 21, 2022 was 1.61%, representing an aggregate dividend yield of approximately 8.31% compounded annually over the 5 year term, on the assumption that the dividend yield remains constant.
Variable Return:	The Variable Return, if any, on each Note upon maturity will be an amount equal to the Principal Amount multiplied by the Percentage Change multiplied by the Participation Rate. The Variable Return, if any, will not be less than zero and will not exceed 47.00% of the Principal Amount. The maximum return will be earned if the Index rises by 47.00% or more from the Initial Valuation Date to the Final Valuation Date.
Participation Rate:	100%
Cap:	The Index is subject to a maximum appreciation of 47.00% (the "Cap"). As a result of the Cap, the maximum Percentage Change on each Note would be 47.00% , equivalent to an annually compounded rate of return of 8.01%.
Credit Ratings:	100% principal protection guaranteed by RBC at maturity. RBC is rated Aa1 by Moody's, AA- by Standard and Poors and AA by DBRS.
Secondary Market:	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 3.25%, reducing to 0% after 360 days). Proceeds on sale may be less than the US\$100 Principal Amount.
Eligibility for Investment:	RRSPs, RDSPs, RESPs, TFSAs, RRIFs and DPSPs.

S&P 500® HISTORICAL PRICE PERFORMANCE

The following chart demonstrates the historical level of the S&P 500® Index for the period from June 29, 2012 to June 30, 2022. Historical price performance does not take into account distributions or dividends paid on the securities underlying the S&P 500® Index.



*Historical price performance of the S&P 500® Index will not necessarily predict future price performance of the S&P 500® Index or the Notes.

The source of the data displayed in this chart is Bloomberg L.P. and its accuracy cannot be guaranteed.

SAMPLE CALCULATIONS OF THE PAYMENT AMOUNT

The examples set out below are included for illustration purposes only. The levels of the Index used to illustrate the calculation of Variable Return are not estimates or forecasts of the level of the Index on which the Base Level and Settlement Level or the calculation of the Percentage Change, and in turn Variable Return, will depend. The Index is subject to a maximum appreciation of 47.00% (the “Cap”). All examples assume that a Noteholder has purchased Notes with an aggregate principal amount of US\$10,000 and that no Extraordinary Event has occurred.

Example #1 — Hypothetical calculation of the Payment Amount where the Percentage Change of the Index is positive and below the Cap. It is assumed that the Base Level of the Index is 3,998.95 and the Settlement Level of the Index is 5,198.64 (hypothetical). The Payment Amount would be calculated as follows:

Base Level = 3,998.95

Settlement Level = 5,198.64

$$\text{Percentage Change} = \frac{(5,198.64 - 3,998.95)}{3,998.95} = 0.30000 \text{ or } 30.000\%$$

Participation Rate = 100.00%

Variable Return = US\$10,000.00 × 30.000% × 100.00% = US\$3,000.00

Payment Amount = US\$10,000.00 + US\$3,000.00 = US\$13,000.00

In this example, the Payment Amount provides a return equivalent to an annually compounded rate of return of 5.39%.

Example #2 — Hypothetical calculation of the Payment Amount where the Percentage Change of the Index is positive by 47.00% or more and therefore capped at 47.00%. It is assumed that the Base Level of the Index is 3,998.95 and the Settlement Level of the Index is 6,438.31 (hypothetical). The Payment Amount would be calculated as follows:

Base Level = 3,998.95

Settlement Level = 6,438.31

$$\text{Percentage Change} = \frac{(6,438.31 - 3,998.95)}{3,998.95} = 0.61000 \text{ or } 61.000\%$$

Participation Rate = 100.00%

Variable Return = US\$10,000.00 × 47.000% × 100.00% = US\$4,700.00

Payment Amount = US\$10,000.00 + US\$4,700.00 = US\$14,700.00

In this example, the Payment Amount provides a return equivalent to an annually compounded rate of return of 8.01%.

SAMPLE CALCULATIONS OF THE PAYMENT AMOUNT (CONT'D)

Example #3 — Hypothetical calculation of the Payment Amount where the Percentage Change of the Index is deemed to be zero. It is assumed that the Base Level of the Index is 3,998.95 and the Settlement Level of the Index is 2,799.27 (hypothetical). The Payment Amount would be calculated as follows:

Base Level = 3,998.95

Settlement Level = 2,799.27

Percentage Change = $\frac{(2,799.27 - 3,998.95)}{3,998.95} = -0.30000$ or -30.000%

Variable Return = US\$10,000.00 × 0.000% × 100.00% = US\$0.00

Payment Amount = US\$10,000.00 + US\$0.00 = US\$10,000.00

In this example, the Payment Amount provides a return equivalent to an annually compounded rate of return of 0.00%.

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

- Interest Payable at Maturity – The Principal Amount plus Variable Return (if positive) is payable only at maturity.
- Noteholders do not have ownership in the Index or in the securities of the entities that comprise the Index and therefore are not entitled to receive dividends or other distributions paid on these securities. The indicative dividend yield of the Index was 1.61% as of July 21, 2022 which would equate to 8.31% 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 US\$100 Principal Amount, subject to an early trading fee of up to 3.25%. RBC reserves the right not to make a secondary market.
- Extraordinary Events – The payment of Variable Return could be accelerated or delayed due to the occurrence of certain Extraordinary Events.

The Information Statement in respect of the RBC Principal Protected S&P 500® LEOS® (USD), Series 21 (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. The offering and sale of the Notes, described in the Information Statement, may be subject to restrictions within any particular province or territory. The Notes may not be offered or sold in any jurisdiction outside of Canada. Royal Bank and the selling agents require persons into whose possession the Information Statement comes to inform themselves of and observe any and all such restrictions. In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold within the United States or to, or for the account or benefit of, United States persons. No securities commission or similar authority has in any way passed upon the merits of the Notes and any representation to the contrary may be an offence. This highlight document must be read in conjunction with the Information Statement, which provides additional important disclosures and risk factors in respect of the Notes.