



RBC Principal Protected Solactive Canada Blue Chip AR Index Linked Autocallable LEOS[®] (USD), Series 32

7 year term

100% Principal
Protection at Maturity

Autocallable annually at the end of
Year 1

This Note is a 7 year investment designed to provide exposure to the adjusted returns of the Solactive Canada Blue Chip AR Index. Investors will receive an Autocall Redemption Amount should an Autocall Redemption Event occur and will receive their full principal amount at maturity should an Autocall Redemption Event not previously occur. The principal amount is guaranteed by RBC on the maturity date of July 10, 2030.

Offering Closes

July 4, 2023

Maturity Date

July 10, 2030

FundSERV

RBC10068

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 7 years

Underlying Index: Return on the Notes will be determined by reference to the adjusted returns of the Solactive Canada Blue Chip AR Index (the “**Underlying Index**”) on the Initial Valuation Date and the Observation Dates, including the Final Valuation Date. The Underlying Index is an adjusted return index that aims to track the gross total return performance of the Solactive Canada Blue Chip GTR Index (the “**Target Index**”), subject to a reduction of a synthetic dividend of 75 index points per annum calculated daily in arrears (the “**Adjusted Return Factor**”). **For the avoidance of doubt, the return on the Notes is linked to the Underlying Index and is not linked to the Target Index.** The Notes 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.

Underlying Index closing level on June 8, 2023 was 1,221.46.

Adjusted Return Factor divided by the closing level of the Underlying Index was therefore equal to 6.140% on June 8, 2023. If an Autocall Redemption Event does not occur, over the term of the Notes, the sum of the Adjusted Return Factor will be approximately 525 index points, representing 42.981% of the closing level of the Underlying Index on June 8, 2023 (assuming the Target Index closing level remains constant).

Autocall Redemption Event:

An “**Autocall Redemption Event**” will occur if the Percentage Change on an Observation Date is greater than or equal to 5.00%. On the next succeeding Interest Payment Date following the occurrence of an Autocall Redemption Event (the “**Autocall Redemption Date**”), the Notes will be redeemed for an amount equal to the Principal Amount thereof (the “**Autocall Redemption Amount**”).

If an Autocall Redemption Event occurs, in addition to the Autocall Redemption Amount, an interest payment (the “**Interest Payment**”) on the Notes will be payable on the next succeeding Autocall Redemption Date, in arrears, as follows:

(a) if an Autocall Redemption Event occurs on the first Observation Date, the Interest Payment payable per Note will be equal to the sum of (i) US\$8.50 and (ii) if the Percentage Change exceeds 8.50%, $5.00\% \times (\text{US\$}100.00 \times \text{Percentage Change} - \text{US\$}8.50)$;

INVESTMENT HIGHLIGHTS- CONTINUED

- (b) if an Autocall Redemption Event occurs on the second Observation Date, the Interest Payment payable per Note will be equal to the sum of (i) US\$17.00 and (ii) if the Percentage Change exceeds 17.00%, $5.00\% \times (\text{US\$100.00} \times \text{Percentage Change} - \text{US\$17.00})$;
- (c) if an Autocall Redemption Event occurs on the third Observation Date, the Interest Payment payable per Note will be equal to the sum of (i) US\$25.50 and (ii) if the Percentage Change exceeds 25.50%, $5.00\% \times (\text{US\$100.00} \times \text{Percentage Change} - \text{US\$25.50})$;
- (d) if an Autocall Redemption Event occurs on the fourth Observation Date, the Interest Payment payable per Note will be equal to the sum of (i) US\$34.00 and (ii) if the Percentage Change exceeds 34.00%, $5.00\% \times (\text{US\$100.00} \times \text{Percentage Change} - \text{US\$34.00})$;
- (e) if an Autocall Redemption Event occurs on the fifth Observation Date, the Interest Payment payable per Note will be equal to the sum of (i) US\$42.50 and (ii) if the Percentage Change exceeds 42.50%, $5.00\% \times (\text{US\$100.00} \times \text{Percentage Change} - \text{US\$42.50})$;
- (f) if an Autocall Redemption Event occurs on the sixth Observation Date, the Interest Payment payable per Note will be equal to the sum of (i) US\$51.00 and (ii) if the Percentage Change exceeds 51.00%, $5.00\% \times (\text{US\$100.00} \times \text{Percentage Change} - \text{US\$51.00})$; or
- (g) if an Autocall Redemption Event occurs on the Final Valuation Date, the Interest Payment payable per Note on the Maturity Date will be equal to the sum of (i) US\$59.50 and (ii) if the Percentage Change exceeds 59.50%, $5.00\% \times (\text{US\$100.00} \times \text{Percentage Change} - \text{US\$59.50})$.
- If an Autocall Redemption Event does not occur on an Observation Date, no Interest Payment will be payable on the Notes on the next succeeding Autocall Redemption Date.

Credit Rating:	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 3.00%, reducing to 0% after 270 days). Proceeds on sale may be less than the US\$100 Principal Amount.
Eligibility for Investment:	RRSPs, RRIFs, TFSA's, FHSAs, RDSPs, RESPs and DPSPs.

SAMPLE CALCULATIONS OF THE AMOUNTS PAYABLE OVER THE TERM OF THE NOTES

The examples set out below are included for illustration purposes only. The levels of the Underlying Index used to illustrate the calculation of the amounts payable, including the Final Redemption Amount or Autocall Redemption Amount and the Interest Payment, over the term of the Notes are not estimates or forecasts of the level of the Underlying Index on which the Base Level and Settlement Level or the calculation of the Percentage Change, and in turn the Final Redemption Amount, Autocall Redemption Amount and Interest Payment, if any, will depend. All examples assume an aggregate principal amount of US\$10,000.00, that a Noteholder holds the Notes until the Notes are automatically called or until maturity if the Notes are not automatically called and that no Extraordinary Event has occurred.

Example #1 — Hypothetical calculation of the amounts payable where the Percentage Change is negative on each Observation Date. It is assumed that the Base Level of the Underlying Index is 1,221.46 and the Settlement Level of the Underlying Index on the Final Valuation Date is 855.02 (hypothetical). The amounts payable would be calculated as follows:

Base Level = 1,221.46

Settlement Level on the Final Valuation Date = 855.02

Percentage Change on the Final Valuation Date = $\frac{(855.02 - 1,221.46)}{1,221.46} = -0.30000$ or -30.000%

In this scenario, it is assumed that there is no Observation Date on which the Percentage Change is greater than or equal to 5.00% and, accordingly, the Notes would not be redeemed.

(i) Interest Payment

In this example, no Autocall Redemption Event would occur because the Percentage Change on each Observation Date, including the Final Valuation Date, is negative.

Therefore, an Interest Payment would not be payable on any Interest Payment Date.

(ii) Final Redemption Amount

The Final Redemption Amount per Note is equal to US\$100.00.

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

(a) Interest Payment: US\$0.00

(b) Final Redemption Amount: US\$10,000.00

(c) Total amount paid over the term of the Notes: US\$10,000.00

The equivalent annually compounded rate of return in this example is 0.00%.

Example #2 — Hypothetical calculation of the amounts payable where the Percentage Change is greater than or equal to 5.00% on the first Observation Date. It is assumed that the Base Level of the Underlying Index is 1,221.46 and the Settlement Level of the Underlying Index on the first Observation Date is 1,587.90 (hypothetical). The amounts payable would be calculated as follows:

Base Level = 1,221.46

Settlement Level on the first Observation Date = 1,587.90

Percentage Change on the first Observation Date = $\frac{(1,587.90 - 1,221.46)}{1,221.46} = 0.30000$ or 30.000%

In this scenario, it is assumed that the Percentage Change is greater than or equal to 5.00% on the first Observation Date, which falls 12 months into the term of the Notes. This would constitute an Autocall Redemption Event and an Interest Payment would be payable on the next succeeding Interest Payment Date.

(i) Interest Payment

In this example, there is an Autocall Redemption Event on the first Observation Date. Therefore, the Interest Payment payable per Note on the Autocall Redemption Date would be equal to the sum of (i) US\$8.50 and (ii) $5.00\% \times (\text{US\$}100.00 \times \text{Percentage Change} - \text{US\$}8.50)$.

Percentage Change on the first Observation Date = 30.000%

Since the Percentage Change is greater than 8.50%, the Interest Payment per Note is calculated as follows:

Interest Payment per Note = $\text{US\$}8.50 + [5.00\% \times (\text{US\$}100.00 \times 30.000\% - \text{US\$}8.50)] = \text{US\$}9.58$

(ii) Autocall Redemption Amount

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

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

(a) Interest Payment: US\$958.00

(b) Autocall Redemption Amount: US\$10,000.00

(c) Total amount paid over the term of the Notes: US\$10,958.00

The equivalent annually compounded rate of return in this example is 9.58%.

Example #3 — Hypothetical calculation of the amounts payable where the Percentage Change is negative on the first through sixth Observation Dates but is greater than or equal to 5.00% on the Final Valuation Date. It is assumed that the Base Level of the Underlying Index is 1,221.46 and the Settlement Level of the Underlying Index on the Final Valuation Date is 1,343.61 (hypothetical). The amounts payable would be calculated as follows:

Base Level = 1,221.46

Settlement Level on the Final Valuation Date = 1,343.61

Percentage Change on the Final Valuation Date = $\frac{(1,343.61 - 1,221.46)}{1,221.46} = 0.10000$ or 10.000%

In this scenario, it is assumed that the Percentage Change is negative on the first through sixth Observation Dates but is greater than or equal to 5.00% on the Final Valuation Date (being the final Observation Date). This would constitute an Autocall Redemption Event and an Interest Payment would be payable on the Maturity Date (being the final Interest Payment Date).

(i) Interest Payment

In this example, there is an Autocall Redemption Event on the Final Valuation Date. On the first, second, third, fourth, fifth and sixth Observation Dates, no Autocall Redemption Event would occur because it is assumed that the Percentage Change at each such Observation Date is negative. Therefore, the Interest Payment payable per Note on the Maturity Date would be calculated as follows:

Percentage Change on the Final Valuation Date = 10.000%

Since the Percentage Change is less than 59.50%, the Interest Payment per Note is US\$59.50.

(ii) Autocall Redemption Amount

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

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

(a) Interest Payment: US\$5,950.00

(b) Autocall Redemption Amount: US\$10,000.00

(c) Total amount paid over the term of the Notes: US\$15,950.00

The equivalent annually compounded rate of return in this example is 6.90%.

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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 Underlying Index or in the securities of the entities that comprise the Target Index and therefore are not entitled to receive dividends or other distributions paid on these securities.
- Secondary Market Price – The price for the Note 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 3.00%. RBC reserves the right not to make a secondary market.
- Extraordinary Events – The payment of Alternative Variable Return (if any) could be accelerated or delayed due to the occurrence of certain Extraordinary Events.

The Information Statement in respect of the RBC Principal Protected Solactive Canada Blue Chip AR Index Linked Autocallable LEOS® (USD), Series 32 (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. 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. 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.