

2024

Sustainability Report



Table of Contents

3 INTRODUCTION

- 3 Important Notice and Caution Regarding Forward-Looking Statements
- 4 About Us
- 5 About This Report
- 6 Message from the President and Chief Executive Officer
- 8 2024 Highlights
- 9 Sustainability at the Bank

14 ENVIRONMENT

- 15 Our Climate Strategy
 - Our ambition and priorities
 - Other environmental issues
- 18 Supporting Clients in Their Transition
 - Financial Markets
 - Wealth Management
 - Personal and Commercial Banking

25 SOCIAL

- 26 Clients
 - Offering a responsible client experience
 - Putting people at the heart of the in-branch experience
 - Maintaining an ongoing dialogue with clients
 - Promoting accessible service
 - Promoting financial health, inclusion and access
 - Supporting businesses

38 Employees

- Recruiting and succession planning
- Contributing to development and career advancement
- Promoting winning working conditions
- Inclusion, diversity and equity

54 Indigenous Peoples

- Business relations
- Employee experience
- Community relations
- Role of management

55 Community

- Supporting organizations that change lives
- Being involved in the community
- Promoting inclusion in the community
- Collaborating with academia

59 GOVERNANCE

60 Corporate Governance

- Maintaining an ongoing dialogue with our stakeholders
- The Board and its committees
- ESG Committee
- Environmental and social risk management
- Assessment and compensation of executives
- Independent assessment by the Internal Audit function

70 Corporate Ethics

- Code of Conduct
- Anticorruption
- Anti-money laundering and anti-terrorist financing
- Human rights
- Lobbying and public policy
- Tax
- Income tax and other taxes paid or payable
- Responsible sourcing
- Sustainable marketing

76 Information Security

- Strategic planning
- Governance
- Internal practices
- Monitoring and responding to incidents
- 2024 highlights
- Data management
- Artificial intelligence
- Protecting personal information

80 APPENDICES

- 81 Our Contribution to the UN Sustainable Development Goals
- 84 Our SASB Disclosure



INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

ENVIRONMENT

SOCIAL

GOVERNANCE

APPENDICES

Important Notice and Caution Regarding Forward-Looking Statements

Certain statements in this document are forward-looking statements. These statements are made in accordance with applicable securities legislation in Canada and the United States. The forward-looking statements in this document may include, but are not limited to, statements set out in the messages from our management, as well as other statements made about the Bank's objectives, outlook, and priorities for fiscal year 2025 and beyond, the regulatory environment in which it operates, its environmental, social, and governance strategy, targets and commitments and the strategies or actions that will be taken to achieve them, including its practices with respect to inclusion, diversity and equity, its climate strategy and all the objectives related to its efforts toward transitioning to a low-carbon economy and the way to support its clients in this transition, the causes and potential impacts of climate change globally, its approach to identifying and managing climate-related risks and opportunities, the impacts and benefits of the acquisition of Canadian Western Bank (CWB), and certain risks to which the Bank is exposed. The Bank may also make forward-looking statements in various other documents and regulatory filings, as well as orally. These forward-looking statements are typically identified by verbs or words such as "outlook," "believe," "foresee," "forecast," "anticipate," "estimate," "project," "expect," "intend" and "plan," in their future or conditional forms, notably verbs such as "will," "may," "should," "could" or "would" as well as similar terms and expressions.

These forward-looking statements are intended to assist the security holders of the Bank in understanding the Bank's vision, strategy and objectives related to environment, social and governance matters and may not be appropriate for other purposes. These forward-looking statements are based on current expectations, estimates, assumptions and intentions believed by the Bank to be reasonable as at the date thereof and are subject to inherent uncertainty and risks, many of which are beyond the Bank's control. There is a strong possibility that the Bank's express or implied predictions, forecasts, projections, expectations, or conclusions will not prove to be accurate, that its assumptions may not be confirmed, and that its vision, strategic objectives, and performance targets will not be achieved. The Bank cautions investors that these forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from these statements due to a number of factors. Therefore, the Bank recommends that readers not place undue reliance on these forward-looking statements, as a number of factors could cause actual results to differ materially from the expectations, estimates, or intentions expressed in these forward-looking statements. Investors and others who rely on the Bank's forward-looking statements should carefully consider the factors listed below as well as other uncertainties and potential events, and the risk they entail. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time, by it or on its behalf.

The forward-looking statements made in this document are based on a number of assumptions and their future outcome is subject to a variety of risk factors, many of which are beyond the Bank's control and the impacts of which are difficult to predict. These risk factors include, among others; the general economic environment and business and financial market conditions in Canada, the United States, and the other countries where the Bank operates; measures affecting commercial relations between Canada and its partners, including the imposition of tariffs and the measures taken in response, as well as the possible impacts on our customers, our operations, and more generally, on the economy; exchange rate and interest rate fluctuations; inflation; global supply chain disruptions; higher funding costs and greater market volatility; changes made to fiscal, monetary, and other public policies; regulatory oversight and changes made to regulations that affect the Bank's business; geopolitical and sociopolitical uncertainty; the Bank's ability to successfully integrate CWB, and potential undisclosed costs or liability associated with the acquisition; climate change, including physical risks and those related to the transition to a low-carbon economy; the Bank's ability to satisfy stakeholder expectations on environmental and social issues, the need for active and continued participation of stakeholders; the availability of comprehensive and accurate data from customers and other third parties, including greenhouse gas emissions; the ability of the Bank to develop indicators to effectively monitor our advancements; the development and deployment of new technologies and sustainable products; the ability of the Bank to identify climate-related opportunities as well as to assess and manage climate-related risks; significant changes in consumer behaviour, the housing situation, real estate market, and household indebtedness in Canada; the Bank's ability to achieve its key short-term priorities and long-term strategies; the timely development and launch of new products and services; the Bank's ability to recruit and retain key personnel; technological innovation, including the open banking system and the utilization of artificial intelligence; heightened competition from established companies and from competitors offering non-traditional services; model risk; changes in the performance and creditworthiness of the Bank's clients and counterparties; the Bank's exposure to significant regulatory matters or litigation; changes made to the accounting policies used by the Bank to report financial information, including the uncertainty inherent to assumptions and critical accounting estimates; changes to tax legislation in the countries where the Bank operates; changes made to capital and liquidity guidelines as well as to the presentation and interpretation thereof; changes to the credit ratings assigned to the Bank by financial and extra-financial rating agencies; potential disruptions to key suppliers of goods and services to the Bank; third-party risk, including failure of third parties to comply with their obligations to the Bank; the potential impacts of disruptions to the Bank's information technology systems, including cyberattacks as well as identity theft and theft or disclosure of data, including personal information; the risk of fraudulent activity; and possible impacts of major events affecting the economy, market conditions, or the Bank's outlook, including international conflicts, natural disasters, public health crises, and the measures taken in response to these events; and the Bank's ability to anticipate and successfully manage risks arising from all of the foregoing factors.

In addition, the assumptions, the data, metrics, measurements, methodologies, scenarios, and other standards used to develop our assumptions and estimates and to monitor our advances believed to be reasonable at the time of preparation of this report, may subsequently turn out to be inaccurate. Many of these assumptions, data, metrics, measurements, methodologies, scenarios, and other standards, as well as the terminology used by the Bank to define certain concepts, continue to evolve and may differ significantly from those used by others, those that may be used by us in the future or that may be subsequently mandated by government authorities or other standard setters. Such evolution and changes could affect the assumptions and estimates used by us and could affect the comparability of the information and data across industries or companies and from one reporting period to a subsequent reporting period, as well as our ability to achieve our sustainability objectives, priorities, strategies and commitments.

The foregoing list of risk factors is not exhaustive, and the forward-looking statements made in this document are also subject to credit risk, market risk, liquidity and funding risk, operational risk, regulatory compliance risk, reputation risk, strategic risk, and social and environmental risk as well as certain emerging risks or risks deemed significant. Additional information about these factors is provided in the Risk Management section of the 2024 Annual Report, and may be updated in the quarterly reports to shareholders filed thereafter.

This report is provided solely for informational purposes. It is not an offer or a solicitation to buy or to sell any security, product or service in any jurisdiction nor is it intended to provide investment, financial, legal, accounting, tax, or other advice and such information should not be relied on or acted upon for providing such advice.



▼ INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

> ENVIRONMENT

> SOCIAL

> GOVERNANCE

> APPENDICES

About Us

Founded in 1859, National Bank of Canada (the Bank) offers financial services to individuals, businesses, institutional clients and governments across Canada. We are one of Canada’s six systemically important banks and we deliver superior return on equity.¹

We operate through three business segments in Canada: Personal and Commercial Banking, Wealth Management and Financial Markets. A fourth segment, U.S. Specialty Finance and International, complements the growth of our domestic operations.

We are a leading bank in our core Quebec market, where most of our branches are located, and also hold leadership positions across the country in selected activities.

We strive to meet rigorous corporate responsibility standards while creating value for our shareholders. We define ourselves as an employer of choice and are recognized for promoting inclusion and diversity. We are headquartered in Montreal, and our securities are listed on the Toronto Stock Exchange (TSX: NA).

National Bank at a glance

(as at October 31, 2024)²

Our organization

2.9 million Clients³

31,303 Employees around the world

471 Branches⁴

2,539 Banking machines⁵

Our financial performance

\$11.4B Total revenue

\$3.8B Net income

\$462B Total assets

\$45.3B Market capitalization

Our contribution to economic activity

\$3.7B Compensation and employee benefits

\$1.7B Spent on goods and services in Canada⁶

\$1.2B Income taxes and other taxes in Canada⁷

1 Based on Return on common shareholders’ equity (ROE) as reported by major Canadian banks.

2 Unless otherwise indicated, this data is from the Bank’s 2024 Annual Report.

3 Clients of the Personal and Commercial segment.

4 368 in Canada, 99 in Cambodia and 4 in the United States (Florida).

5 940 in Canada and 1,599 in Cambodia.

6 This amount includes occupancy costs, technology costs (excluding depreciation), communications, professional fees, advertising fees and other goods and services.

7 Includes income taxes, capital taxes and other taxes. For more information, see page 9 of the 2024 Corporate Social Responsibility Statement.



▼ INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

> ENVIRONMENT

> SOCIAL

> GOVERNANCE

> APPENDICES

About This Report

The Sustainability Report is published by the Bank. Intended for all of our stakeholders, it presents our commitments and achievements in sustainability and our key environmental, social and governance (ESG) performance indicators.

The Sustainability Report is drawn up by the ESG and Sustainability team, with input from multiple experts and collaborators. It is approved by the ESG Committee, which is made up of executives from different sectors of the organization, and reviewed by the Board's Conduct Review and Corporate Governance Committee.

Scope

Unless otherwise indicated, this report presents relevant content associated with the activities of the Bank and its subsidiaries in Canada.¹ It refers to fiscal 2024 (November 1, 2023 to October 31, 2024) and all amounts are expressed in Canadian dollars.

Stakeholders

This report is aligned with the Bank's commitment to ongoing constructive, open and transparent dialogue with various stakeholders: clients, employees, communities, shareholders, suppliers, the communities we serve, interest groups, international organizations and regulatory authorities. Our discussions with stakeholders impact our strategic decisions and enhance our practices, allowing us to adopt the latest disclosure standards.

Reference framework

Our disclosure is based on the guidelines of the most well-known reference frameworks for sustainability, including the Sustainability Accounting Standards Board (SASB), the United Nations (UN) Sustainable Development Goals (SDGs), the UN Principles for Responsible Banking (PRB), the CDP (Carbon Disclosure Project), and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

External certification and accounting

Certain indicators are extracted from the Management's Discussion and Analysis and the Audited Annual Consolidated Financial Statements of the [2024 Annual Report](#). Unless extracted from the Audited Annual Consolidated Financial Statements of the 2024 Annual Report, the information contained in this report is unaudited. Groupe AGÉCO, an independent third party, calculated our greenhouse gas (GHG) emissions related to our operational activities.

¹ Some of the information provided in this report does not include Flinks Technology Inc. This has no significant impact on the information provided.



INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

ENVIRONMENT

SOCIAL

GOVERNANCE

APPENDICES

Message from the President and Chief Executive Officer



Laurent Ferreira
President and Chief Executive Officer

National Bank has weathered many different economic cycles and periods of uncertainty throughout its history, and 2024 was no exception. Although this past year presented its share of social, environmental and economic challenges, it also provided many opportunities for the Bank.

Such periods allow us to fully appreciate the importance of our actions and our impact on clients and the communities we serve.

We owe our success to our teams, who always strive to put people first, and I am deeply grateful to them. They maintain an ongoing open dialogue with our stakeholders and clients, working to advance our society and contribute to its vitality.

For the second year in a row, the Bank has been selected for S&P Global's Best-in-Class World Index, which includes companies recognized for their sustainability practices. This honour confirms that we are a leading player in this field, that we are on the right track, and that we need to keep up our efforts.

Supporting a sustainable economy

Canada's competitive advantages in the energy, natural resources, and manufacturing sectors will be key factors in achieving energy independence and security, creating wealth and ensuring the economic strength of future generations. That's why the Bank is taking steps to support its clients and partners in the transition towards a low-carbon economy.

We are determined to achieve our ambitious objectives in the fight against climate change. We are adopting a pragmatic approach that focuses on supporting businesses in all sectors to promote innovation, decarbonization strategies and a responsible transition aligned with Canada's long-term economic vitality. As such, we remain committed to our goal of achieving net-zero by 2050.

One key achievement that I'm especially proud of this year was the inauguration of National Bank Place, our new head office in the heart of Montreal's business district. This building is a great example of innovation and sustainability and represents the largest commercial real estate project in Montreal in the past 30 years.



INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

ENVIRONMENT

SOCIAL

GOVERNANCE

APPENDICES



Enriching communities

The Bank has always encouraged the development and engagement of our employees. That's why inclusion, diversity and equity are integral to our culture. These values guide our actions, help ensure employee wellbeing and foster pride among our teams.

Moreover, we're proud to have received the Platinum Parity Certification from Women in Governance for the fifth consecutive year. This distinction underscores our ongoing efforts and commitment to achieving gender parity within our teams. We also ranked among the top 100 companies for gender equality in developed markets, according to Equileap.

For many years, we have maintained ties with Indigenous clients, employees and community groups. We are completing our second year of the Partnership Accreditation in Indigenous Relations program from the Canadian Council for Indigenous Business.

MoneySense magazine recognized us as the Best Bank for Newcomers to Canada for a second year. We understand our role in promoting the inclusion of this client segment.

National Bank also takes pride in its philanthropic initiatives—which are all the more important given the current economic conditions and heightened community needs.

Maintaining trust-based relationships

We are guided by a robust governance framework that enables us to effectively meet growing external expectations and regulatory requirements characterized by an increased demand for data. We constantly innovate and evolve while remaining attentive to the needs of our clients.

We make protecting clients' personal information a top priority so we can build and maintain trust-based relationships with them. As such, data security is integral to our strategic planning.

To ensure each employee can contribute to the Bank's sustainability commitments, we continue to advance our initiatives, training programs and awareness efforts at all levels of the organization and with our external partners.

A promising future for the Bank

With the recently completed acquisition of Canadian Western Bank (CWB), a new head office right in the heart of Montreal and an ongoing nationwide expansion, National Bank's future has never looked more promising.

We are honoured to serve a diverse client base from coast to coast and we're proud of our contributions to the economy and community wellbeing.

It is with great humility and enthusiasm that we are taking on this next chapter in the Bank's history. By working together, we can ensure a brighter future and a stronger, more resilient and more sustainable economy for all.



Laurent Ferreira
President and Chief Executive Officer



INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

> ENVIRONMENT

> SOCIAL

> GOVERNANCE

> APPENDICES

2024 Highlights

ENVIRONMENT



New climate commitment
\$20B in total lending commitment dedicated to renewable energy by 2030



Inauguration of National Bank Place
New head office designed to meet energy efficiency standards



Sustainable advances through our business units
\$1.78B in granted or certified green loans for the real estate sector
\$5.7B in assets under management in responsible investment products
\$8.1B in total sustainability-linked loans

SOCIAL



New financial health target
50% increase in long-term investment holdings by 2030, compared to 2023, among the newcomers to Canada clientele



Accessible service
Tailored support for our clients, available in **over 15 languages**
215,474 chequing accounts with no fixed monthly fees¹ in Canada (no minimum balance)



Mobilized employees with diverse profiles
58% of our employees have been at the Bank for **over 5 years**, and **15%** for **over 20 years**
Communities of **150 countries** are represented within our workforce



Involvement in the community
\$4,276,437 in donations to United Way during our Canada-wide campaign

GOVERNANCE



Sustainability at the heart of our operations
3 working groups dedicated to the evolution of our sustainability strategy
Responsible AI management development project to ensure an effective governance



Enhance employee awareness
95% of our employees completed the latest annual training on the protection of personal information
18,000 employees completed the training on sustainability and its impact on the economy



Sustainable procurement
Purchases from **over 80%** of local suppliers (Quebec and Canada) for the layout of our new head office



To learn more, consult the complete ESG data overview in the [Codes and commitments](#) section at [nbc.ca](https://www.nbc.ca).

¹ No-fee chequing accounts are defined as bank accounts that provide basic services with no additional fees, no monthly or annual maintenance fees and no minimum balance requirements.



▼ INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

> ENVIRONMENT

> SOCIAL

> GOVERNANCE

> APPENDICES

Sustainability at the Bank

Our support for sustainability is an integral part of our strategy. Environmental, social and governance (ESG) considerations play a key role in our business and operational decisions.

As such, we are committed to identifying, understanding and effectively managing ESG factors that matter to our stakeholders. We make regular efforts to address material sustainability issues, notably as part of our ongoing dialogue with stakeholders.

In 2022, we carried out an initial assessment of the relative importance of various ESG priorities to fuel our discussions and better understand the changing expectations of our stakeholders. We surveyed more than 1,000 people among our clients, employees and service providers. This exercise aimed to determine the importance of the various issues and their potential impact on the Bank, as seen by various stakeholders. The results were recorded and classified in a relative importance matrix.

In 2023, we analyzed and prioritized issues where the Bank could have a positive impact, as well as the scope of that impact.

All ESG issues identified in the matrix matter to us and our stakeholders.



To learn more, consult the 2023 ESG Report available in the [Codes and commitments](#) section at [nbc.ca](#).

To this day, these results contribute to our dialogue with stakeholders and help us take action where we can add the most value. As such, the Bank has targeted a number of issues:

Fighting climate change and promoting sustainable finance – We are an important player in the fight against climate change. We play a role in decarbonization and transitioning to a low-carbon economy by providing financing and adapted sustainable finance products.

Financial literacy and inclusion – We have a tangible impact on the financial health of our clients. That’s why we prioritize the inclusion of vulnerable clients by providing resources to support them and foster financial literacy.

Inclusion, diversity and equity – We use our influence as an employer and member of society to have a positive impact on the lives of people from all communities.

Protecting personal information – The Bank’s commitments also include protecting our clients’ personal information in order to build and maintain a relationship of trust with them.

This assessment of issues is an evolving activity, which allows us to identify certain trends and prioritize our actions. As such, for us to prepare to meet the requirements of the European Union—the Corporate Sustainability Reporting Directive (CSRD)—we will develop a double materiality matrix in the coming months to help identify priority sustainability issues for the Bank and their impact on the environment and society.



INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

ENVIRONMENT

SOCIAL

GOVERNANCE

APPENDICES

Our ESG principles

In 2019, the Bank adopted nine ESG principles to demonstrate our commitment to sustainability. They are based on several of the UN Sustainable Development Goals (SDG).

ENVIRONMENT	SOCIAL	GOVERNANCE
 <p>We are working to develop a green economy</p>	 <p>We enrich communities</p>	 <p>We govern according to the highest standards</p>
<ol style="list-style-type: none"> We consider the fight against climate change in our economic and community activities. We guide and advise our clients in their energy transition. We manage and reduce our environmental footprint in all of our business segments. 	<ol style="list-style-type: none"> We maximize the potential of individuals and the community. We promote inclusion, diversity and equity. We foster entrepreneurship, financial literacy, philanthropy and support for health and education. 	<ol style="list-style-type: none"> We promote a strong ethics culture, sound governance practices and rigorous risk management. We manage according to responsible business practices. We ensure the long-term viability of the institution.
  	      	 



INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

ENVIRONMENT

SOCIAL

GOVERNANCE

APPENDICES

Our commitments

In accordance with our principles and to help the Bank achieve its ESG objectives, we have made the following commitments:

Environment

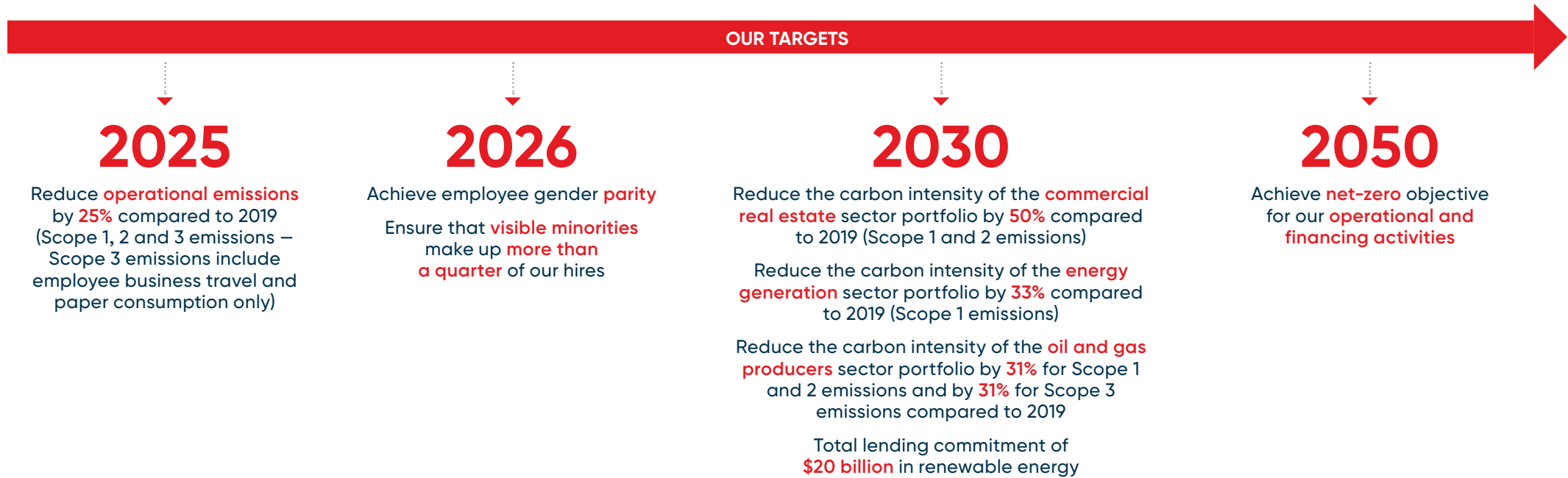
- › Not to offer or grant new financing related to oil and gas exploration, exploitation or production in the Arctic.
- › Not to provide financing as a lender to any new thermal coal mines or new clients who derive more than 25% of their revenues from operating thermal coal mines. We will continue to support existing clients who have net-zero commitments by 2050 or have publicly committed to phasing out their thermal coal activities.
- › Not to fund, invest in or provide loans for the development or construction of new coal-fired power plants.
- › Not to provide any financing as a lender or hold equity securities for any new clients generating more than 10% of their power from a coal-based production capacity unless the funds are used to finance the energy transition.
- › To support new and existing clients who own and acquire existing coal power generation assets as long as they are committed to achieving net-zero by 2050 or publicly engaged to phase out their thermal coal activities.

Social

- › Facilitate access to banking services for underbanked people.
- › Promote the development and success of women, visible minorities, persons with disabilities, Indigenous Peoples and members of LGBTQ2+ communities.
- › Promote financial literacy as a means to improve financial knowledge and achieve financial security.

Governance

- › Ensure the protection of our clients' personal information to build and maintain a relationship of trust with them.
- › Aim for parity and maintain a minimum representation of 40% women and 40% men among our independent directors.





INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

ENVIRONMENT

SOCIAL

GOVERNANCE

APPENDICES

Table 1 – Involvement of the Bank in national and international ESG initiatives

International and national initiatives	Bank's participation
Canadian Bankers Association (CBA)	The CBA enables the sector to maintain a dialogue with stakeholders, including regulators and governments, on various issues and policies that affect financial institutions. We participate in several CBA working committees, some of which deal with ESG issues.
Carbon Disclosure Project (CDP)	The Bank has been participating in CDP reporting since 2010. Every year, it publishes answers to this questionnaire aimed at measuring our climate opportunities and risks.
Climate Engagement Canada (CEC)	NBI has been a signatory since 2021 to the CEC initiative, which promotes dialogue between the financial community and issuing companies to promote a just transition to a net-zero economy.
International Capital Markets Association (ICMA)	The Bank has developed a framework for issuing sustainable bonds in accordance with the International Capital Markets Association (ICMA) Green Bond Principles and Social Bond Principles. The ICMA represents financial institutions that operate in global capital markets.
Partnership for Carbon Accounting Financials (PCAF)	In 2021, the Bank joined the PCAF, a global partnership of financial institutions that work together to develop a rigorous approach to assess and disclose the GHG emissions resulting from their financing and investment activities. The Bank is an active member of the PCAF working group, contributing to the improvement of methodologies and climate data quality.
Responsible Investment Association (RIA)	National Bank Investments (NBI) has been a member of the Responsible Investment Association (RIA) since 2019. RIA's mandate is to promote responsible investment in Canada's retail and institutional markets.
Risk Management Association (RMA) – Climate consortium	As a member since 2021, the Bank is committed to developing frameworks and recommendations for governance, disclosure and risk management principles, sharing experiences with peers and helping to advance the sector on climate risk.
Statement by the Québec Financial Centre for Sustainable Finance (Finance Montréal)	The Statement by the Québec Financial Centre for Sustainable Finance is a charter of commitments by stakeholders in the Quebec financial sector in favour of finance that is based on responsible principles. The Bank became a signatory to the Statement in October 2021.
Task Force on Climate-related Financial Disclosures (TCFD)	The Bank uses the TCFD's recommendations to publish its annual climate report outlining climate opportunities and risks and how we manage them. The TCFD is now part of the International Sustainability Standards Board (ISSB), and we are actively following the development of new disclosure standards.



▼ INTRODUCTION

Important Notice

About Us

About This Report

Message from the President and Chief Executive Officer

2024 Highlights

Sustainability at the Bank

> ENVIRONMENT

> SOCIAL

> GOVERNANCE

> APPENDICES

International and national initiatives	Bank's participation
UN Environment Programme Finance Initiative (UNEP FI)	The Bank has been providing ongoing support to UNEP FI for years. As part of this support, the Bank works with the UNEP FI community on a wide range of issues, including climate and biodiversity.
UN Principles for Responsible Banking (PRB)	The Bank became a founding signatory to the PRB in 2019. This unique reference framework aims to align the signatory banks' strategies and practices with SDGs and the Paris Agreement. The Bank publishes an annual progress report.
UN Principles for Responsible Investment (PRI)	Since 2019, NBI has been a signatory to the PRI, the world's leading promoter of responsible investing, which has an international network of signatories that incorporate ESG factors into investment analysis, decision-making and shareholder practices.
UN Sustainable Development Goals (SDG)	We use SDGs as a guide in developing our initiatives and commitments. We contribute to 12 of the 17 SDGs. These actions are described on page 81 .
Women's Empowerment Principles (WEPs)	The Bank supports these principles, which guide businesses in using best practices for gender equality and the empowerment of women in the workplace, the market and the community.



- > INTRODUCTION
- ✓ ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

ENVIRONMENT



Supporting a Sustainable Economy



Our ESG principles

- › We consider the fight against climate change in our economic and community activities
- › We guide and advise our clients in their energy transition
- › We manage and reduce our environmental footprint in all of our business segments



- > INTRODUCTION
- > ENVIRONMENT

Our Climate Strategy

Supporting Clients
in Their Transition

- > SOCIAL
- > GOVERNANCE
- > APPENDICES



Our Climate Strategy

OUR APPROACH

As a key player in the Canadian financial industry, the Bank aims to follow the most rigorous climate risk management standards while having a positive impact on all our stakeholders. The Bank has adopted various measures to fight climate change and reduce its GHG emissions.

Our ambition and priorities

The Bank’s policy ambition is to be a key player in the fight against climate change and to support the transition to a low-carbon economy. We want to be a strategic partner for our clients in this transition, while taking into account their reality, initiatives in place and interdependencies throughout the economy.

In 2021, in accordance with the Paris Agreement objectives, the Bank committed to achieving its net-zero objective by 2050 for its operational and financing activities. In addition, the Bank joined PCAF, a group of financial institutions that work together to develop a rigorous approach to assess and disclose the GHG emissions resulting from their financing and investment activities.

The Bank has also set itself three climate priorities linked to a concrete implementation plan that is framed by our financing and investment activities and by a rigorous decision-making process (Table 2).





> INTRODUCTION

✓ ENVIRONMENT

Our Climate Strategy




Supporting Clients in Their Transition

> SOCIAL

> GOVERNANCE

> APPENDICES

Table 2 – Our climate priorities, our implementation plan and our achievements

	1. Achieve net-zero by 2050	2. Support our clients	3. Exercise our thought leadership
Our climate priorities	 <p>Reduce GHG emissions from our operational and financing activities.</p>	 <p>Actively support and advise our clients in their transition to a low-carbon economy while promoting the development of the renewable energy sector.</p>	 <p>Engage with our clients and collaborate with our peers, banking organizations and the public sector.</p>
Our implementation plan	<p>1.1 Set interim sector-specific targets for the reduction of financed emissions for carbon-intensive sectors and develop decarbonization strategies to achieve those targets.</p> <p>1.2 Align our operations and business practices with our net-zero objective through the implementation of a robust decision-making process.</p> <p>1.3 Increase the energy efficiency of our operations to achieve our 25% reduction target by the end of 2025.</p>	<p>2.1 Deploy sustainable finance products and services to support our clients in their transition.</p> <p>2.2 Support the development of the renewable energy sector to contribute to decarbonization efforts.</p>	<p>3.1 Refine our engagement strategy with our clients to better advise them on their climate transition, and with the banking and public sectors to accelerate sustainable finance.</p>
Our 2024 achievements	<ul style="list-style-type: none"> › Quantified our financed emissions from our loan portfolios for the highest carbon-intensive sectors and monitored progress on reducing our financed emissions to reach our net-zero objective by 2050. › Opened our new head office, designed to meet energy efficiency standards. 	<ul style="list-style-type: none"> › Offered sustainable funds for sustainable investment portfolios, representing \$5.7 billion in assets. › Total lending commitment of \$15 billion in renewable energy as at October 31, 2024. › New total lending commitment target of \$20 billion in renewable energy by 2030. 	<ul style="list-style-type: none"> › Organized three preparatory sessions for COP29 featuring international experts who spoke on navigating the realities of the transition and the impact of the political landscape on sustainability. › For the tenth consecutive year, organized an annual Canadian clean energy conference attended by a number of businesses.



To learn more about our climate priorities, our implementation plan and our 2024 achievements, consult the Climate Report, available in the [Commitments and impact](#) section at [nbc.ca](https://www.nbc.ca).



- > INTRODUCTION
- ✓ ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES




Other environmental issues

Biodiversity

In recent years, a new aspect of environmental risk has emerged: the potential repercussions on biodiversity. This topic has been evolving since COP15 and the signing of the Kunming–Montreal Global Biodiversity Framework in 2022. We are following the various initiatives with interest and taking part in reflection exercises on possibly including the impact on biodiversity in investment and lending decisions.

In 2024, we established a nature working group made up of members from across the Bank’s business lines to monitor best practices and participate in industry discussions. Several group members completed training activities, including through the PRB Academy on nature-related responsible banking practices.

We also continued to participate in the UNEP FI Nature Community, which aims to make financial institutions aware of biodiversity loss and its financial impact. To further our knowledge, we also joined the TNFD Forum, a network of organizations that support the work of the Taskforce on Nature-related Financial Disclosures.

 To learn more about our integration of environmental risks, consult the Environmental and social risk management section on [page 68](#) of this report.



- > INTRODUCTION
- ✓ ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Supporting Clients in Their Transition

OUR APPROACH

The banking sector plays a central role in promoting sustainable finance and supporting the transition to a low-carbon economy. The Bank offers innovative financing solutions to clients who want to raise capital for sustainability and transition initiatives. We believe that sustainable finance is a real catalyst for change, and that's why we support our clients in their sustainability journey.

Financial Markets

Our teams

Our Cleantech Investment Banking and Sustainable Advisory and Finance groups are a hub of expertise for our clients across Corporate and Investment Banking, Capital Markets, Treasury, Risk Management Solutions, National Accounts and other sectors. They provide customized advice on sustainability and the energy transition, as well as sustainable finance products and services.

Cleantech Investment Banking

National Bank Financial Markets' (NBFM) Cleantech Investment Banking Group provides coordinated and differentiated advisory services that support clients' efforts to deliver clean energy alternatives and advance more sustainable business models.

Sustainable Advisory and Finance (SAF) Group

Investor criteria are evolving, and sustainability factors are becoming a key component of capital-raising activities. That's why NBFM has positioned itself to help its clients align their financing with their sustainability strategy. The SAF team is a resource that supports clients in designing efficient and sustainable solutions through an integrated offering ranging from business advice, initial public offering (IPO) preparation, mergers and acquisitions to sustainable finance product structuring and innovation. With its knowledge and experience, the SAF team is a single point of contact, advising clients at every stage of their sustainability journey.

In fiscal year 2024, the Bank appointed an Executive Vice-President and Managing Director, Head of Sustainable Finance within its Financial Markets Division. This newly created position makes sustainable finance a key strategic priority for the Bank, increasing the integration of sustainability and the commitment of our corporate, government and institutional clients in their sustainability efforts.



- > INTRODUCTION
- > ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Highlights

We believe that the development of sustainable finance in Canada is a pillar in accelerating the impact of private capital toward a fair transition and creating new opportunities for our clients and society. National Bank Financial (NBF) supports the domestic and international market through its underwriting and authorization services for green, social, sustainability and sustainability-linked loans and bonds.

Figure 1 – Green, social, sustainability and sustainability-linked bonds underwritten by NBF in 2024

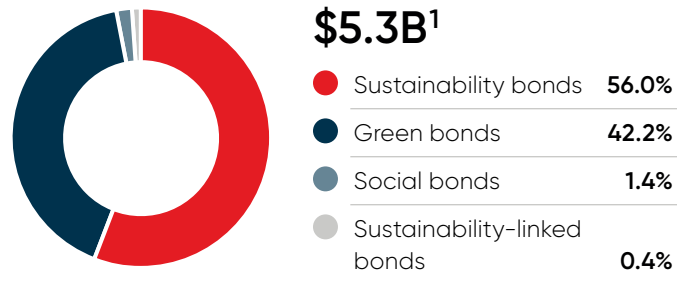


Figure 2 – Authorized credit towards renewable energy lending and sustainability-linked loans in 2024

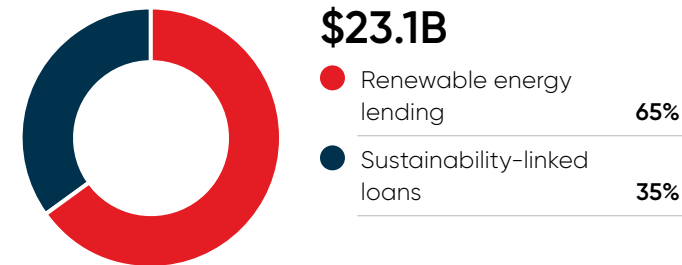


Table 2 – Sustainable finance performance metrics (in billions of dollars)

Performance metric	2024	2023
Value of underwritten green, social, sustainability and sustainability-linked bonds	5.3	5.5
Value of authorized sustainability-linked loans ¹	8.1	6.9
Value of green and sustainability bonds in circulation issued by the Bank	3.0	3.3
Value of green, social, sustainability and sustainability-linked bond holdings ²	1.1	1.0
Aggregate capital raised/committed for clean technology sector clients	0.7	0.9
Total lending commitment in renewable energy projects	15.0	13.0

¹ Across all currencies, converted to CAD.

² Portfolio invested by our Treasury team in green, social, sustainability and sustainability-linked bonds.



Our leadership on sustainability

- › Our Equity Research team, dedicated to the ESG domain, publishes reports across key themes such as decarbonization, carbon markets, policies and regulation.
- › Our SAF team produces quarterly and weekly sustainable finance market updates for our clients.
- › The Bank supported sustainable finance events throughout the year, including the 2024 Sustainable Finance Summit, From Ambition to Action: Transforming Global Finance, held in Montreal with over 70 speakers.



- > INTRODUCTION
- ✓ ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Deal overview

Exchange Income Corporation



Exchange Income Corporation (EIC) is a diversified, acquisition-oriented company focused on opportunities in the aviation, aerospace, and manufacturing sectors. Its Essential Air Services business line accounted for approximately 32% of the corporation’s consolidated revenues in fiscal year 2023. Essential Air Services has longstanding relationships with the communities it serves. Most of these communities are not accessible year-round by ground transportation, making its airlines a vital link to these areas.

In May 2024, NBF acted as EIC’s co-social loan coordinator on its syndicated social loan. The \$200 million social loan tranche will fund the purchase of new King Air aircraft for Carson Air Ltd, an airline operated by Essential Air Services, as part of the long-term medevac contract with the province of British Columbia.

“The Corporate Banking and SAF teams at NBF were instrumental in the execution of our initial social loan credit facility. Leveraging their collective experience, NBF helped our team navigate through the complexities of the new facility designated to fund essential services we provide to the communities we serve. NBF has been an exceptionally supportive partner, and we appreciate NBF’s recognition of the social benefits we deliver every day,” said EIC’s CEO.

Solar Landscape LLC



Solar Landscape LLC is a fully integrated community solar developer based in New Jersey with experience across 200+ community solar projects representing over 175 MW of capacity.

In October 2024, National Bank acted as a green structuring agent and coordinating lead arranger on Solar Landscape LLC’s US\$283 million green loan with social co-benefits for the construction of a 107 MWdc community solar portfolio of 101 rooftop solar photovoltaic energy projects in New Jersey. Solar Landscape’s inaugural Green Loan with social co-benefits was inspired by the Green Loan Principles developed by the Loan Syndicated Trading Association and is specifically designed to support investment in renewable energy.

The portfolio will deliver affordable clean energy at discounted tariffs to subscribers across New Jersey, as per the state of New Jersey’s Community Solar Energy Program requirements and equity goals. At least 51% of the portfolio’s output will be sold to low- and medium-income subscribers. Solar Landscape will also report on the percentage of generation allocated to these customers.



- > INTRODUCTION
- ✓ ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Pattern Energy Group LP

The Bank acted as an initial coordinating lead arranger, joint bookrunner and co-green loan structuring agent by providing underwriting of US\$775 million on the US\$8.8 billion financing of a 3.5 GW wind project and a transmission line of over 550 miles, known as SunZia.

This project is being developed by leading power developer Pattern Energy Group LP, a portfolio company of the Canada Pension Plan Investment Board (CPPIB) and is the largest clean energy infrastructure project in U.S. history.¹

Stingray Group Inc.

Stingray Group Inc. operates within the music and video entertainment sector, with a strong focus on delivering innovative products and services across diverse platforms. Stingray currently reaches 540 million viewers and listeners across all its services.

In August 2024, NBF acted as sole sustainability advisor in the development of the company's inaugural sustainability report and overall sustainability integration. The report is inspired by the SASB Framework as well as the SDGs, highlighting key achievements and activities for 2024.

Exro Technologies

Exro Technologies Inc. (Exro) is a clean technology company that has developed new-generation power control electronics that expand the capabilities of electric motors and batteries, enabling a variety of e-mobility and energy storage applications. Exro is headquartered in Calgary, Alberta, with operations in the U.S., including facilities in Arizona and Michigan.

In 2024, Exro entered into an all-share merger agreement providing for the acquisition of SEA Electric Inc. ("SEA Electric") by Exro valued at \$402 million (US\$300 million). Exro announced concurrent financing transaction for proceeds of C\$42 million comprised of a C\$30 million private placement of subscriptions receipts and C\$12 million debt funding from a Canadian pension fund manager.

The proceeds are intended to be used to support the business plan of the combined company.

NBF acted as an exclusive financial advisor to Exro on its merger with SEA Electric, providing a fairness opinion to Exro's Board of Directors and a special committee formed to consider the transaction. NBF facilitated the due diligence process under an expedited timeline and actively assisted in negotiating key transaction terms and developing the transaction communication strategy.

¹ Source: SunZia Wind and Transmission, <https://patternenergy.com/projects/sunzia/>.



- > INTRODUCTION
- > ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Our services

Renewable energy sector lending

The Bank is committed to supporting clients throughout their energy transition with targeted solutions. The Bank is reducing emissions from its loan portfolio by financing renewable energy projects in North America. The NBFM team provides customized loans and advisory services to industry clients. Since 2019, we have tripled our financing for renewable energy projects and have committed a total of \$15 billion in loans.

Our progress to date reflects the Bank’s ability to deploy capital effectively, supported by the deep expertise of its teams and strengthened by partnerships cultivated with renewable energy developers. To advance to the next phase of our renewable energy financing strategy, we are setting a new target: \$20 billion of total lending commitments in renewable energy by 2030.

 To learn more, consult the 2024 Climate Report in the [Commitments and impact](#) section at nbc.ca.

Commodities

Since 2021, the Bank has actively participated in multiple exchange-traded carbon markets, including the Western Climate Initiative (WCI), a joint Quebec/California cap-and-trade program that allocates California Climate Allowances (CCA), the Regional Greenhouse Gas Initiative (RGGI) and the European Union Allowance (EUA). To better support our clients in their transition, we have added the capacity to trade CCAs over-the-counter (OTC), which allows us to offer our clients risk management and cost-saving solutions.

In 2024, we entered the Alberta Technology Innovation and Emissions Reduction (TIER) market. This demonstrates our ongoing commitment to expanding our positioning and increasing the number of carbon markets for which we propose solutions. We are proud to provide more support to TIER players through our risk management solutions.

Structured Solutions

Our Structured Solutions Group offers the Canadian Sustainable Companies Flex Guaranteed Investment Certificate (GIC) to individual clients, providing exposure to sustainable Canadian companies with principal 100% protected at maturity. Portfolio construction involves filtering out companies in certain sectors, then selecting leading

companies with ESG ratings in the top two quartiles as established by Sustainalytics. This GIC provides sector diversification while promoting sustainability, which is of great importance to our clients.

Sustainability and Transition Equity Research Team

Sustainability is increasingly integrated into global capital markets. Investors and companies are focusing on ESG criteria and sustainability to better identify, assess and balance opportunities and risks. This is becoming increasingly important in light of significant decarbonization opportunities across all sectors.

Our sustainability and transition strategist on the NBF equity research team leads our sustainability, transition and ESG research activities and is the main liaison between the SAF team and these evolving fields. This strategist provides timely, succinct and value-added information to our clients.

The main areas of interest, which are still evolving, cover a wide range of topics, including:

- > policy and regulations,
- > sustainable financial information,
- > decarbonization initiatives,
- > carbon markets, and
- > increasingly important topics such as sustainable energy and electrification, agriculture and biodiversity.

Recent efforts have addressed the following topics:

- > Policy and regulations
 - Canadian sustainable investment taxonomy
 - Input tax credits (ITC) for Canada
 - 2024 elections and U.S. climate policy
- > Financial reporting linked to sustainability
 - Evolving position of the Science Based Targets Initiative (SBTi)
 - Sustainable financial disclosure in Canada
 - Integration of climate in U.S. financial regulations
- > Climate change and decarbonization
 - COP16 and the potential to advance strategies that take nature into account
 - Renewable fuels and market turbulence
 - Canada’s role in reducing the world’s environmental footprint




- > INTRODUCTION
- > ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Sustainability Bond Program

In 2018, the Bank developed one of the first Canadian reference frameworks for issuing sustainability bonds. This framework was externally reviewed to confirm alignment with ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines.

Under this reference framework, our proceeds can be used to finance or refinance, in whole or in part, eligible businesses or projects that fall into nine categories: Renewable Energy, Energy Efficiency, Pollution Prevention and Control, Sustainable Water and Wastewater Management, Sustainable Buildings, Low-Carbon Transportation, Affordable Housing, Access to Basic and Essential Services and Loans to Small and Medium-Sized Enterprises (SMEs) located in deprived economic zones. As at October 31, 2024, the proceeds of green and sustainability bonds has been used to finance over \$3.0 billion in eligible projects.

The Bank’s sustainable bonds committee selects and assesses loans and investments that will qualify as eligible projects. Each year, the Bank publishes a report that presents the reference framework, the use of funds and a few examples of projects financed.

 To learn more, consult the Sustainability Bond Report in the [Capital and debt](#) section at nbc.ca.


Wealth Management

National Bank Investments

National Bank Investments Inc. (NBI) aims to be an accelerator that promotes the growth and development of investment solutions and services to help Canadian investors achieve their financial goals.

With \$5.7 billion in assets under management in responsible investment products as at October 31, 2024, NBI is committed to being an agent of change toward more sustainable finance. The team published a [white paper](#) on the integration of climate risks into portfolio management and launched sustainable managed solutions, i.e., a range of diversified portfolios adapted to different client risk profiles.

To maintain high standards of client support, a second training session on responsible investing was provided in 2024 to nearly 1,200 employees of the Bank’s advisory forces.

 To learn more, consult NBI’s Report on Responsible Investment Advances in the [Responsible investment](#) section at nbinvestments.ca.



- > INTRODUCTION
- ✓ ENVIRONMENT
- Our Climate Strategy
- Supporting Clients in Their Transition
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Personal and Commercial Banking

Sustainable vehicle loans

To support our clients' transition to greener vehicles, the Bank offers interest rate discounts on financing used to purchase a sustainable 100% electric, plug-in hybrid or hydrogen vehicle. These products are available across Canada through the Bank's distribution network and our affiliated merchants, making them as accessible as possible.

Cleantech companies

Over the past fiscal year, the Technology and Innovation Banking Group continued to offer advice, support and financial services tailored to the needs of rapidly growing technology companies across Canada. These companies include those in the clean technology sector that have developed major software or hardware innovations for carbon capture, energy optimization, sustainable fuels, electric vehicle charging and climate intelligence solutions.

Here are some of the cleantech companies supported by the Group:

MARINELABS

MarineLabs is a coastal intelligence company data provider, transforming marine safety and building climate-resilient coastlines. Founded in 2017, this British Columbia-based company offers the world's highest resolution real-time and predictive wind, wave, and weather data and AI-driven insights from its expanding North American-wide fleet of cloud-connected, rugged instruments.



MANGROVE LITHIUM

Mangrove Lithium is a Canadian cutting-edge lithium technology provider. It has developed a patented electrochemical refining technology for the conversion of lithium extracted from a variety of feedstocks into high-purity battery-grade lithium hydroxide and lithium carbonate. Mangrove's technology offers the potential for the highest purity lithium while reducing the carbon emissions associated with incumbent refining technologies.

OXYGEN8

Oxygen8 improves sustainability and air quality in schools, senior care facilities and offices across North America, with its high-performance energy recovery ventilation systems that provide 100% fresh, filtered outside air with low energy consumption and no GHG emissions.

Green loans for the commercial real estate sector

To support commercial real estate sector clients in their sustainability journey, the Bank has set green loan issuance targets. In 2024, it granted or certified 36 green loans for a total of \$1.78 billion, exceeding the established annual target of \$1.25 billion.

In collaboration with Canada Mortgage and Housing Corporation (CMHC), green loans can provide more advantageous terms and conditions to support clients with their sustainability strategies. The Bank made 28 loans under CMHC's MLI Select program for a total of \$1.24 billion, in addition to eight conventional green loans totalling \$552 million.

Commercial real estate teams also had training workshops to fine-tune what they learned in 2023 about sustainability and our green commercial real estate taxonomy. A number of processes were reviewed to facilitate discussions and the issuance of green loans. Since this is a rapidly evolving sector, the documentation is constantly being revised to keep it current so we can improve our service offering.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

SOCIAL



Enriching Communities



Our ESG principles

- › We maximize the potential of individuals and the community
- › We promote inclusion, diversity and equity
- › We foster entrepreneurship, financial literacy, philanthropy and support for health and education



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients

- Employees

- Indigenous Peoples

- Community
- > GOVERNANCE
- > APPENDICES

Clients

OUR APPROACH

At the Bank, our vision is to provide a client-centric advisory approach. To build lasting relationships, we strive to fully understand clients' individual needs and find solutions tailored to their life events. Our teams are trained, developed and recognized for the quality and relevance of their advice. We leverage their talent and the latest technology to deliver a personalized omnichannel client experience.

Offering a responsible client experience

Provide clients with information and advice on our products and services

As set out in the Bank's [Code of Conduct](#), professionalism, honesty and integrity must always guide our actions, behaviour and communications.

Advising our clients properly

We need to know our clients, their financial situation, their priorities and their changing needs over time. This enables us to provide appropriate, personalized advice. To do this, we also need to have a thorough understanding of our products and services in order to recommend those that are best suited to each client. By communicating clear, complete and accurate information, we help our clients make informed decisions without any pressure. Our clients' interests are our top priority, regardless of our objectives under our performance and compensation programs. When we know that a product or service is not suitable for a client, we are required to mention it so they can make an informed decision. The Bank also ensures all its employees comply with the requirements of the law prohibiting coercive tied selling through our Code of Conduct and the communications, tools and training we provide.


Our clients can also see explanations and examples in our booklet [What you need to know about prohibited conduct](#). More specifically, it is prohibited for the Bank to force a person to obtain a product or service as a condition of being able to obtain another.

Promoting our products and services honestly

The Bank is committed to promoting its products and services honestly. This means creating marketing communications that are clear and accurate, do not lead to confusion and comply with the standards governing design and production. Furthermore, the Bank's Intellectual Property team organizes training sessions to update the Marketing team on laws applicable to advertising. We also hold meetings to approve advertising content and ensure our communications are compliant.

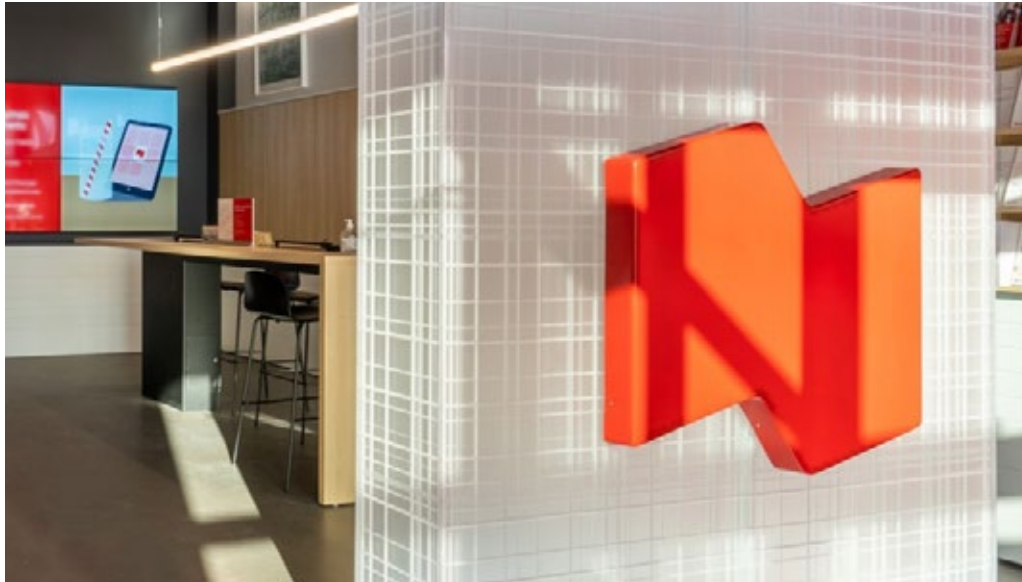
Directory for advisors

Bank advisors can access an internal directory of more than 800 bilingual documents, tools and articles to help them increase their knowledge and provide informed advice to clients. Information is organized based on different objectives and life events, enabling advisors to offer a personalized approach tailored to each client's situation and needs. Financial literacy articles are also published for our teams to share with clients in order to address particular topics and answer clients' questions.





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES



Transforming the role of advisor

In 2024, the Bank continued to transform its banking advisor model. This has honed employees' advisory skills and has had a direct impact on the client experience. Each banking advisor benefits from a personalized and ongoing training and coaching plan to help them identify learning opportunities so they can advance their career at their own pace, in line with their development objectives. With this model, our clients have access to comprehensive support and sound advice from different specialists within the same branch, according to their financial needs.



To learn more about the impact of personalized training plans, consult the Employees section on [page 41](#) of this report.

Delivering an outstanding client experience

Our branch employee performance management program is focused on building lasting client engagement. As such, it recognizes behaviours that foster proactivity and relevant advice while improving client satisfaction. This program, focused on quality execution, rewards the efforts of employees who work collaboratively on a daily basis to deliver a distinctive client experience. Our collective regional objectives align the total compensation of our employees with our business strategy and performance.



Collaborating to improve banking services

We have undertaken a number of actions to improve banking services. In accordance with our [Stakeholder Engagement Guidelines](#), we hold regular discussions with regulatory bodies and other entities involved with these issues. As such, the Bank:

- > Is a member of the Canadian Bankers Association (CBA), which allows the industry to maintain a dialogue with multiple stakeholders, including regulators and governments, on various issues and policies of importance to financial institutions. We participate in several of this organization's working committees, including some that discuss issues related to clients.
- > Regularly meets with the Financial Consumer Agency of Canada (FCAC) and the Office of the Superintendent of Financial Institutions (OSFI) to discuss specific cases and industry issues.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Putting people at the heart of the in-branch experience


The National Bank experience

In 2024, we completed the roll-out of the National Bank experience in our branches. All of our branches now offer this approach based on welcoming clients when they arrive and taking charge of all their financial needs. The key components of the experience are enhanced advice and increased digital engagement.



Leveraging personalized advice

The Bank has set up a team of specialists in finance, investment, financial planning and wealth management, including mutual fund and securities advisors. The Exclusive Remote Advisory Service team offers personalized advice and regular follow-up over the phone or via videoconference. Their support is tailored to individual clients and available in more than 15 languages. In addition, working in synergy with various Bank specialists, the Exclusive Remote Advisory Service team serves as a single point of contact for its clients' financial, investment and wealth management needs.

 To learn more, consult the [Exclusive Remote Advisory Service](#) section at [nbc.ca](#).

Using an open banking environment to ensure secure data sharing

The federal government's proposed open banking system will change the way our clients interact with us through the use of a new data-sharing ecosystem between financial institutions and participating fintech companies. It will allow consumers and small businesses to securely use data-driven financial services that can help them better manage and improve their financial situation. Since December 2021, and with the support of its subsidiary Flinks Technology Inc., the Bank has been the first financial institution in Canada to offer clients a data-sharing channel aligned with open banking principles. This service gives our clients full control over what data is shared with third parties, without having to share their credentials, by obtaining their clear and explicit consent to the intended use.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Enhancing the digital experience

Our clients want to carry out transactions simply, quickly and independently—like many of their other day-to-day actions. That’s why offering a high-quality digital experience is among our priorities.

- › Online appointment scheduling has enabled the Bank to optimize its client journeys while offering personalized interactions. As branch visits for cash transactions have become less frequent, the Bank has also rolled out a new cashless concept in 54 branches, putting an emphasis on advice.
- › Appointments can now be offered remotely as clients’ transactional habits are increasingly oriented toward digital solutions. In 2024, 37% of meetings were held remotely (23% by videoconference and 14% by telephone), a 20% increase over the previous year. We also note a steady quarterly increase in this indicator, reflecting sustained adoption of the solution.
- › As part of our updated terms of use, we have encouraged our clients to opt for digital statements over paper statements, while incorporating their consent to electronic communication to access our platforms.
- › Under Bill 25, the Bank requires express consent on its websites and mobile applications for the collection and use of visitor interaction data, while guaranteeing the transparency and security of these practices. Our consent rate far exceeds available market comparables, reflecting our clients’ high level of confidence in the Bank’s management of this data.
- › A series of educational banners has been added to our transactional platforms, directing users to sources of information on best practices in financial security, bank fraud prevention, and detecting and disputing erroneous transactions. By educating on these issues, we reinforce our clients’ confidence in our digital services and help protect their assets.
- › This year, we revamped our Help Centre on the transactional platforms for our clients in the Commercial Banking and National Bank Direct Brokerage (NBDB) sectors. Access to this support tool empowers clients to manage their own investments while supporting entrepreneurship.

Digital platforms

In 2024, the use of our digital platforms experienced strong growth:



Digital clients grew by almost **7%** in the Personal Banking sector and by almost **5%** in the Commercial Banking sector.

93%

of Personal Banking client transactions involving transfers of funds¹ were carried out in self-service mode via our digital platforms (web or mobile).



The volume of digital transactions by individual clients rose by **12%** during the year.



More than a third of new bank accounts and credit cards are opened through digital channels.



Conversational robots generated over **900,000 separate conversations** with our clients, an annual increase of over **6%**.

87.5%

of our digital clients chose to receive all of their bank and credit card statements electronically, a growth of **6 percentage points** over the year.

¹ Transactions involving transfers of funds initiated by the client, including bill payments, transfers (*Interac*®, international or to another financial institution), receipt of transfers (*Interac* or between National Bank clients), deposits (via cheque to a National Bank account), transfers to a Mastercard® or personal account, and additional payments (on a mortgage or personal loan).



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients

- Employees

- Indigenous Peoples

- Community

- > GOVERNANCE

- > APPENDICES

Maintaining an ongoing dialogue with clients

Acting on client feedback

For many years, we have been assessing the effectiveness of our products and services as well as the quality of the client experience. In 2024, some 250,000 clients were surveyed to measure the client experience. The survey platform can generate alerts when clients express that they want to be contacted about an issue, a complaint or a new need. Employees in direct contact with clients can therefore access the needs expressed and take action accordingly.

Since 2019, annual targets have been set and the Net Promoter Score has been integrated into the compensation program for all employees.

In 2024, we carried out 524 coaching sessions with advisory sales force employees in order to promote the voice of clients in their daily work.

We also rely on other approaches, such as focus groups, interviews, user testing, monitoring social media and actively tracking complaints, to help us make decisions centred on client feedback and expectations. Over the past year, following up on this feedback has allowed the Bank to:

- › Enhance the information provided in the branch locator, highlighting business hours and currency availability
- › Improve how information on digital deposits is displayed
- › Roll out a new remote account closing process

The Bank continuously monitors how complaints are documented, allowing it to take action in response to client feedback and share this information internally. We also use a survey to track client satisfaction after a complaint is settled, which allows us to provide employees with ongoing training in this respect.

Ensuring client satisfaction

The Bank offers a simple and easily accessible client complaint handling process. We train our employees to deal with complaints quickly and with a solution-oriented approach. Client dissatisfaction and survey results are analyzed to continually improve our products, services and practices. Proactive support is also offered to our branch employees to enhance their complaint management skills.

Client Complaint Appeal Office

The Office offers clients impartial and objective recourse if they feel that their complaint has not been satisfactorily resolved by the other services made available by the Bank. It partners with experts from different sectors to promote an approach focused on finding fair solutions adapted to each situation. The files are reviewed confidentially, in compliance with legislation, regulations and industry best practices. Each year, the Office publishes data on complaints handled, as well as best practices that our clients can adopt to better manage their banking activities.

All files where the Office has recommended a settlement with a client are included in the resolution rate. On average, over the 12 months of the fiscal year, our files are processed in 26 days. This is well below the maximum time allowed to process a client complaint under Bill C-86 (56 days).

 To learn more, consult the [Complaint settlement](#) section at [nbc.ca](https://www.nbc.ca).



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
 - Employees
 - Indigenous Peoples
 - Community
- > GOVERNANCE
- > APPENDICES

Promoting accessible service

Our commitment to accessibility

Reinforcing accessibility measures is a key way for us to offer a better experience to our clients, our teams and our stakeholders. The Bank aims to keep enhancing accessibility as set out in [its plan](#) and continues to improve its practices. As such, the Bank plans to maintain and pursue:

- › Promoting its culture of inclusion, diversity and equity
- › Its zero-tolerance policy with regard to discrimination and raising awareness among employees
- › Its efforts to learn more about accessibility
- › Its actions throughout the organization to raise awareness about accessibility
- › Integration of accessibility standards into its new initiatives

Branches and points of service

In 1992, the Bank made a commitment to the Canadian Human Rights Commission to ensure its branches and other buildings comply with universal accessibility standards. When renovating or designing premises, we apply the standards in effect.

The Bank continues to invest extensively in its branches and points of service to offer clients an environment that lives up to their expectations. For example, in 2024:

- › We opened, renovated or relocated 24 branches to offer modern, technologically enhanced spaces.
- › We gradually updated our branches to meet new universal accessibility standards for people with cognitive and physical limitations and to comply with the Code of Conduct for the Delivery of Banking Services to Seniors.

Digital accessibility

Digital accessibility is another of our initiatives. To this end, the National Bank Direct Brokerage (NBDB) and National Bank Financial Wealth Management (NBFWM) sites have been upgraded to meet the requirements of the Web Content Accessibility Guidelines (WCAG). This will enable a more inclusive experience for persons with disabilities, making our services accessible to a wider audience. As measured by an automated analytics tool, our average accessibility score now exceeds the industry benchmark.



Automated Banking Machines (ABMs)

To increase the accessibility of our self-service solutions, ABMs throughout the Bank's network allow clients to choose from six display languages: French, English, traditional Chinese, Spanish, Arabic and Punjabi. By making its products and services accessible to a greater number of communities, the Bank continues to position itself as an active player in the promotion of inclusion, diversity and equity. Our clients can now also carry out contactless transactions with their debit cards on the ABM reader.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Promoting financial health, inclusion and access

Underbanked, unbanked and underserved clients

There are underbanked, unbanked and underserved people in Canada, and the Bank aims to remedy this situation. It has therefore introduced measures to improve access to financial services and better meet the specific needs of some of our clients. For example:

- › Bank accounts with no fixed monthly fees offered to certain client segments identified by the Government of Canada as financially vulnerable (seniors,¹ persons who have been determined to be disabled,² persons aged 24 or younger), if linked to a specific package
- › Monthly discount on most banking packages offered to certain client segments, such as persons aged 24 or younger and persons aged 60 or older
- › Reduced interest rates on vehicle financing for newcomers to Canada
- › Looser credit approval requirements for people with reduced mobility who want to adapt their vehicles

215,474 Chequing accounts with no fixed monthly fees³ in Canada (no minimum balance)

¹ Persons aged 65 years or older on presentation of proof of eligibility for the Guaranteed Income Supplement.
² Beneficiaries of a Registered Disability Savings Plan (RDSP) aged 18 or older on presentation of proof of eligibility for an RDSP.
³ No-fee chequing accounts are defined as bank accounts that provide basic services with no additional fees, no monthly or annual maintenance fees and no minimum balance requirements.

ABA Bank

Our subsidiary Advanced Bank of Asia (ABA Bank) serves nearly 3.2 million clients across its 99 branches and 46 self-service banking locations in Cambodia. Through ABA Bank, we continue to help increase the percentage of Cambodians who have access to a bank account. Thanks to accessible technology based on smartphones and QR codes, ABA Bank’s payment solutions offer fast, easy and secure transactions, reducing dependence on cash and helping to increase financial inclusion.

In 2024, the number of transactions carried out using digital payment solutions accounted for 99% of total transactions. In addition, the number of borrowers reached 105,475, and the number of loans, 134,403. Around 47% of these loans were granted to women or to businesses partly directed or controlled by women, supporting the advancement of women entrepreneurs in Cambodia.

ABA Bank makes financial contributions to a number of initiatives that promote financial literacy and encourages its employees to participate actively. In 2024, these initiatives included:

- › *Embedding Financial Literacy into School Curriculum*, a program that aims to equip students in grades 5 to 12 with the knowledge and skills they need to manage their finances responsibly in a changing economy
- › *Strengthening Safe Finance in Community*, a program that seeks to increase the level of financial literacy, consumer rights and consumer protection in Cambodia’s rural communities by increasing safe access to formal financial services

In partnership with Angkor Resources, a Canadian company with a presence in Cambodia, ABA Bank pursued its financial literacy program tailored to the needs of Indigenous communities in the rural Ratanakiri province. Program highlights include:

- › 21 villages covered in 4 districts
- › Workshops offered in 5 local Indigenous languages to promote participation and understanding
- › 537 participants in the third year of the program, more than 50% of them women

ABA Bank and Angkor Resources are working to extend the program to more remote areas and villages where financial literacy remains low.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients

- Employees

- Indigenous Peoples

- Community

- > GOVERNANCE

- > APPENDICES

Newcomers to Canada


The Bank offers services to newcomers to Canada, including a chequing account with no fixed monthly fees for the first 12 months with no obligation to have other products. Under certain conditions, this fee waiver can be extended to the second and third years. Clients who sign up for this offer also have access to a credit card even if they have no credit history in Canada¹ and to a free legal support service² to streamline their first year in Canada.



In 2024, for the second year running, the Bank was voted the best bank for newcomers to Canada by MoneySense, the country's largest financial literacy platform. To establish this annual ranking, MoneySense evaluates the solutions offered by financial institutions, taking into account the Canadian banking system and the various financial services offered in the category.

The Bank also opened two points of service in Montreal to support asylum seekers. The goal is to assist them in opening accounts, issue them debit cards, help them use our digital solutions, and provide advice. Documentation is available in French, English, Spanish, Turkish, Punjabi, Arabic and Haitian Creole to help clients understand the services offered.

The Bank has enhanced the content of the [Advice for your immigration to Canada](#) section of its website for newcomers to Canada. This page provides a wealth of advice to effectively support newcomers as they get settled. It also promotes financial literacy with a comprehensive guide to finance in Canada specifically designed for this clientele.


 To learn more, consult the [Newcomers](#) section at [nbc.ca](#).

Financial health target

As a financial institution, we have a key role to play in financial education and support for different segments of the population in order to increase their financial well-being. This is why the Bank has established a financial health target as part of its commitment to the PRB. The objective of this target is that clients can obtain a good understanding of personal finances and the importance of good long-term savings management.

50%

increase in long-term investment holdings by 2030, compared to 2023, among our newcomers to Canada clientele.

 To learn more, consult our Report on the United Nations Principles for Responsible Banking available in the [Codes and commitments](#) section at [nbc.ca](#).



¹ Financing subject to credit approval by National Bank. Certain conditions apply. Security may be required under certain circumstances.

² Telephone assistance service offered by National Bank Assistance Network, valid for 12 months from the account opening date. The content of the packages and terms described are subject to change.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients

- Employees

- Indigenous Peoples


- Community
- > GOVERNANCE
- > APPENDICES

Senior clients

To better serve the aging population, the Bank has implemented measures to meet the needs of its clients aged 60 and over. The [Code of Conduct for the Delivery of Banking Services to Seniors](#), to which the Bank is a party, sets out the guiding principles on which our protective measures are based.

The Bank's commitments to its senior clients are as follows:

- › Establish policies, processes and procedures to ensure the protection of seniors
- › Communicate effectively
- › Provide training for employees who interact with clients
- › Set up the appropriate resources to understand the banking needs of seniors
- › Strive to mitigate potential financial harm
- › Consider market demographics and seniors' needs when closing branches

 To learn more, consult the Annual Report on the Protection of Seniors available in the [Codes and commitments](#) section at nbc.ca.

Gen Z

The Bank continues its partnership with **Quatre95**, an online finance media presented by Urbania. Through a series of videos and articles aimed at Gen Z and millennials in Quebec, the site demystifies personal finance, helps young adults build a better relationship with money and gives them the tools they need to manage their projects. This year's biggest innovation is the podcast "Histoire de mauvais coûts," featuring discussions and personal stories on financial management that allow us to learn from the mistakes of others.

Here are some stats on Quatre95 since the partnership started in 2019:

- › Sponsored content: 62 regular articles, 10 interactive articles and 43 videos posted
- › 6 podcast episodes with nearly 170,000 YouTube views and over 4,700 audio listens
- › 3.8 million unique users
- › 8.9 million visits
- › 46,550 social media followers and newsletter subscribers
- › 47.5% newsletter open rate

The issues published in 2024 covered important current topics such as financial tips for students as well as young people and online fraud.

The Bank is also among the main partners of **JA Québec's educational programs**, which offer free training workshops on financial literacy, work readiness and entrepreneurship for youth aged 10 to 18. Over the past few years, these workshops have been adapted to a number of formats, making them accessible to a larger number of young people.

JA Québec reaches over 12,800 young people each year and offers over 500 programs in Quebec. In 2024, Bank volunteers visited 29 classrooms.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES


Women

In 2024, the Bank teamed up with Quebec and Canadian magazines to market a **Women’s Finances** advertising campaign focusing on financial literacy and encouraging women to actively manage their finances. More than just an advertising campaign, articles about personal finance were featured in the magazines themselves. The advertising campaign reached over 8.3 million people and was seen more than 100 million times. A series of evergreen educational videos were also released to democratize investment and encourage women to take an active role in their finances. The entire advertising campaign was linked to these videos.



This bold initiative was recognized by the Idéa 2024 awards, winning four prizes:

- › Gold for representation, social impact and inclusion
- › Silver for digital campaign
- › Bronze for social media – postings (campaign)
- › Other for interactive advertising

 To learn more, consult the [Women’s finances](#) section at [nbc.ca](#).

As a founding member, the Bank is proud to continue supporting **ÉducÉpargne** in its mission to raise awareness, provide tools and advise Quebecers on various topics related to saving. In 2024, an expert from the Bank joined its annual webinar on the theme “Saving and Retirement Planning for Women: Everything You Need to Know!” The purpose of the webinar was to educate the public and financial experts on women’s personal finance issues and suggest strategies to help women enjoy a comfortable retirement.

Advice is just a click away

The Bank makes a vast range of resources and tools available to clients and the public to allow them to carefully plan for their financial needs based on their projects and stages in life.

The [Advice for your personal finances](#) section at [nbc.ca](#) includes over 400 articles, videos and podcasts that explain a wide range of topics related to managing personal and business finances. The section also includes a category dedicated to immigration. It features a wealth of key information for newcomers to Canada, as well as a downloadable practical financial guide. In 2024, the Advice section had over 2.5 million visits, and the content was shared with more than 1.1 million subscribers via monthly newsletters.

In addition to offering financial literacy content across its multiple digital channels throughout the year, the Bank once again participated in Financial Literacy Month in November 2023. For the occasion, we joined forces with the Financial Consumer Agency of Canada (FCAC) and other financial institutions to raise public awareness of the importance of better understanding notions of personal finance to make informed decisions. More than 15 pieces of content were shared on our social media channels, focusing in particular on debt and strategies for effectively paying it off.

YouTube channel

The Bank now has 50 videos on its YouTube channel explaining topics related to personal finance and providing information on the current economy and real estate market. Some of these videos are aimed at target audiences such as newcomers to Canada, women and Gen Z. To extend the videos’ reach in 2024, they were also shared through several partners targeting these same audiences, as well as in our monthly newsletter. These actions generated nearly 290,000 new organic views on all videos and over 6.2 million views through paid media. For more information, check out [National Bank’s YouTube channel](#).



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Supporting businesses

OUR APPROACH

The Bank stands out for the close ties it has forged with its entrepreneur clients over the years. We give them the means to start their own small- or medium-sized enterprise (SME), make them grow or acquire others. We also support large businesses with their specific business needs. As at October 31, 2024, we have approved over \$175 billion in financing for businesses of all sizes across Canada.

Simplifying business management

The Bank provides business owners with products and services that simplify the day-to-day management of their business so that they can focus on its growth and development. We have solutions tailored to the needs of businesses of all sizes, including transaction and digital solutions, cash management solutions and financing solutions to support them in their growth. For example, these solutions include partners such as Lexstart, which offers legal aid kits, and Dialogue™, a telemedicine service.

Large companies receive support from a dedicated team of specialists, including account managers specialized in various sectors such as technology, agriculture, health and real estate. We help these companies meet the challenges of the economic situation and support them in their energy transition.

Smaller businesses and SMEs are supported by an entirely remote team of specialists. This means they can get high-quality advice while saving time and reducing travel.

To promote sound risk management among our clients, we offer a range of hedging instruments, such as forex contracts, to enable businesses exposed to foreign exchange rate fluctuations to protect their profit margins. With the volatility of interest rates in recent years, products such as interest rate swaps can help clients protect themselves.

 To learn more about the debt financing made available to companies in Canada, consult the Corporate Social Responsibility Statement, available in the [Codes and Commitments](#) section at nbc.ca.

Fostering the growth of diversified businesses

The Bank continues to support the growth of diversified businesses through a variety of initiatives. In 2024, it continued its support for:

- › **Accelia Capital**, a fund that invests in innovative companies with high technological potential across Quebec, supports companies owned or led by women
- › **The51 Food and AgTech Fund**, which aims to improve access to capital for women and gender-diverse entrepreneurs
- › **Evol** and its impact envelope that fosters inclusive entrepreneurship across the 17 regions of Quebec

Affordable housing

Housing affordability is a critical social issue in Canada that requires collaboration between governments and the private sector. The Bank actively participates in dialogue with various market players to identify innovative solutions. In 2024, nearly 18% of the commercial real estate financing portfolio was dedicated to projects that included affordability, including nearly \$1.6 billion for affordable housing projects in Quebec through Société d'habitation du Québec programs.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Supporting entrepreneurship

By its action, the Bank is fully committed to supporting entrepreneurship and advancing business knowledge, two essential drivers of economic and social development. That's why we have formed numerous partnerships.

Incubators and accelerators

The Bank supports multiple incubators and accelerators across Canada, including:

- > **Institut d'Entrepreneuriat Banque Nationale** and the **Creative Destruction Lab (CDL Montréal)** at HEC Montréal
- > **La Centrale** – entrepreneurial space at Université Laval
- > **Accélérateur de création d'entreprises technologiques (ACET)** at Université de Sherbrooke
- > **Dobson Centre for Entrepreneurship** at McGill University
- > **District 3** at Concordia University
- > **Centre national intégré du manufacturier intelligent (CNIMI)** at UQTR and Cégep de Drummondville
- > **CLIP** – Clinical Innovation Platform at the Montreal General Hospital
- > **Québec Tech** (formerly Startup Montréal)
- > **Zù** – organization dedicated to developing entrepreneurship in Montreal's and Quebec City's cultural and creative industries
- > **Platform Calgary** – tech incubator in Calgary, Alberta
- > **New Ventures BC** – tech incubator in British Columbia
- > **Le Centech** at École de technologie supérieure (ÉTS)
- > **L-SPARK** – tech incubator in Ottawa, Ontario

Training programs

The Bank also continues to support various training programs specifically dedicated to entrepreneurs, including:

- > **École d'Entrepreneurship de Beauce** – which supports entrepreneurs in their progression, thanks to ongoing training programs in businesses or online, or intensive programs at the school
- > **La Factory** – school of creative sciences

- > **Entrepreneuriat Québec** – network of over 40 schools for entrepreneurs in Quebec and more than 5,000 graduates yearly. As a partner, the Bank offers a \$350 bursary to graduates of these programs when they open a business account
- > **Réseau Mentorat** – mentoring program for entrepreneurs where the Bank is actively involved through a business transfer program that helps participants prepare to buy or sell a business

Investing in strategic partnerships

The Bank's corporate venture capital arm, NAventures™, makes equity investments in startups and growing businesses, building strong partnerships that will shape the financial institutions of the future. This group is more than just a source of capital. The Bank supports entrepreneurs every step of the way to ensure the success of their projects.

To date, the NAventures portfolio includes 20 active businesses, mainly fintechs, but also several that play a role in the future of financial institutions. NAventures considers diversity to be an important factor in its investment analysis, which is why 45% of the 20 companies in its portfolio have at least one founder from a visible minority.

DEEP SKY

The Bank is an investor in Deep Sky, a climate technology company specializing in large-scale carbon removal. As the world's first tech-agnostic carbon removal project developer, Deep Sky's mission is to combat climate change by deploying technologies capable of capturing and permanently storing carbon dioxide from the atmosphere and oceans. The company aims to promote a carbon-negative economy by providing infrastructure and solutions to help companies achieve their decarbonization goals.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Employees

OUR APPROACH

The Bank seeks to offer an accessible, inclusive and stimulating work environment and give all employees a personalized experience. A wide variety of development opportunities and innovative projects enables them to achieve their full potential and build a career that lives up to their ambitions. We also maintain an open dialogue with our employees to enhance their work experience and get them involved in business decisions and discussions. Lastly, we offer flexible working conditions to promote their physical, mental and financial well-being, as well as work-life balance.

Recruiting and succession planning

Attracting the best talent

We roll out strategies to attract talented candidates from many different backgrounds who share our values. To promote access to employment opportunities, we implement best practices for inclusive recruitment. Day after day, we enhance and simplify our practices to lay the groundwork for a transparent, people-centric experience. In this way, we create favourable conditions to support our employees in their careers and promote their long-term growth and engagement, including by offering them challenges and internal mobility.



Succession planning

Every year, managers from different sectors review their current and future talent needs to achieve their business objectives. Through sound risk management and a rigorous process, they also identify departure risks, critical positions and expertise, and potential successors. Once a potential successor's interest has been confirmed, a customized development plan is implemented in collaboration with them and monitored throughout the year.

When an executive position becomes free, the persons identified as potential successors are systematically included in the recruitment process. Between November 1, 2023, and October 31, 2024, 73% of positions were filled by these successors, 50% of whom were women. This demonstrates that preparation and development enable potential successors to advance in their careers and leverage the competencies needed to support the Bank's business plan.

Furthermore, in its inclusive succession management, the Bank makes sure that it has a pool of diverse candidates. To accelerate competency development, we offer internships and rotation programs in various business sectors (Table 4).



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Table 4 – Internship and rotation programs offered at the Bank

Initiatives	Description
National Bank Financial – Wealth Management (NBFWM) Internship program	<p>Every year, we welcome students from universities across Canada to learn about NBFWM. In 2024, three cohorts of 6 to 14 second- and third-year students participated in portfolio management and various projects by contributing their ideas. Top talents can continue working part-time and obtain a full-time position after they graduate.</p> <p>In 2024:</p> <ul style="list-style-type: none"> › 6 interns were hired part-time at the head office › 4 interns were hired part-time in one of our Investment Advisor teams
Financial markets – Internship and rotation programs	<p>Internships give university students the opportunity to spend a few months working in a Financial Markets team and interact with experts. This could lead to a permanent position or a rotation program that allows students to work successively at various Sales and Trading business units in Montreal, Toronto and Calgary. Program participants thereby improve their understanding of the multiple Financial Markets activities and the interactions between teams. Upon successful completion of the program, the individual is assigned a permanent position aligned with their strengths and areas of interest.</p> <p>In 2024, we hosted:</p> <ul style="list-style-type: none"> › 64 interns in Corporate and Investment Banking (CIB) › 25 CIB interns who became permanent employees › 54 interns in Sales and Trading › 10 participants in the rotation program
Financial markets – Diversity scholarship program	<p>This program is open to university students who wish to pursue a career in the Financial Markets sector and who belong to one or more of the following diversity groups: women, visible minorities, Indigenous Peoples, LGBTQ2+ communities or persons with disabilities. Successful candidates receive a \$10,000 scholarship, join the sector’s internship program and are supported by a Financial Markets mentor to ensure they are properly prepared before arriving at the Bank.</p> <p>In 2024:</p> <ul style="list-style-type: none"> › 15 interns received a diversity scholarship
Rotation programs – Data science, data engineering and data stewardship	<p>The goal of this rotation program is to recruit and onboard data scientists, data engineering analysts and data stewards. It enables them to gain experience and use their knowledge to resolve challenges within our various business sectors, and it helps them advance their careers in data. This type of program helps disseminate data culture across the entire organization by attracting talent from the jobs of tomorrow and enhancing teams’ abilities and data expertise.</p> <p>Since this program was created in 2018:</p> <ul style="list-style-type: none"> › 255 rotations have taken place throughout sectors at the Bank › 83 individuals have taken part in the program, including 56 data scientists, 22 data engineering analysts and 5 data stewards › Close to 80% of participants have joined one of the business sectors



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Contributing to development and career advancement

An opportunity for development

Given economic uncertainty and a changing labour market, we've made a clear commitment to promoting career development and advancement. We aim to make the Bank an employer of choice by creating an environment that fosters outstanding performance and enables people to achieve their professional aspirations. To that end, we are constantly enhancing the employee experience and development opportunities based on employee feedback, in particular by carrying out surveys.



In 2024, **77% of our employees** agreed that the Bank invests in **employee development.**¹

A distinctive learning experience

To have a significant impact on the career paths of our employees and on the Bank's performance, we offer a distinctive learning experience for each employee that supports our inclusion, diversity and equity values and adapts to changing regulatory requirements. Concretely, we create the conditions for continuous on-the-job learning. Our employees benefit from personalized learning based on current role competencies and career interests. Feedback and coaching are encouraged at all times, in addition to shared learning among peers. The Bank promotes the creation of day-to-day development opportunities and empowers and equips employees and managers in their respective roles. Notably, the Bank offers formal training, structured with specific learning objectives.



In 2024, **we invested \$57.5 million** in developing employees' skills. Employees completed an average of **27 hours of formal training.**

A competency-based approach

To remain agile in the evolving work landscape and foster the development of our employees' full potential, the Bank has made big strides toward becoming a competency-based organization. It has adopted a strategy founded on various drivers, including the promotion of:

- › Cross-sector competencies that are essential to sustaining our culture and achieving our strategic goals
- › Competencies required to achieve sectoral business priorities
- › Competencies specific to success in critical roles, defined as roles tied to high volume, unique value creation and labour risks with respect to scarcity and retention

To date, 100% of critical roles have defined competency profiles, in addition to some 20 profiles for other key roles.

These competencies are integrated into our recruitment processes and serve as the foundation for delivering our distinctive development experience, with a new learning platform as a technology tool.

Career Drive

In 2024, we rolled out the first phase of Career Drive, a learning platform offering multiple internal and external development resources. All Bank managers and employees in the Information Technology and Operations sector can now access this platform, which helps them grow independently and continuously, ensuring both their personal performance and the Bank's success. It's a customized experience based on career interests and aspirations that also supports networking and knowledge sharing across the organization. This new initiative helps ensure that our expertise remains a competitive advantage for our clients. All Bank employees will gradually have access to the platform over the next year.

¹ Results from Q2 2024 survey My Voice, Our Experience. Over 15,000 employees across the Bank responded to the survey.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Table 5 – Examples of development opportunities offered at the Bank

Initiatives	Target employees	Description
IT University	IT employees, teams with related roles	IT University offers a range of training courses on agile methodology as well as development programs organized by specialty aligned with the competencies of each role. Training and programs are available for all IT employees and for teams in related roles. The learning offer includes readings, videos, certifications, hands-on exercises, lectures and thousands of online resources accessible on external platforms.
Data Academy	All Bank employees	The data learning offer meets specific needs while adapting to each person’s level of knowledge. These courses are available on a self-service basis or in the form of workshops, videos, presentations and conferences. <ul style="list-style-type: none"> › In 2024, 5,000 hours of training was completed on a variety of topics such as programming languages, data literacy, generative and responsible artificial intelligence, and different skill paths for data roles
Harvard Learning Center	All Bank employees	A library of high-level training, articles, case studies and podcasts is available via Harvard Business Review to help our employees develop their competencies and learn about current topics. <ul style="list-style-type: none"> › Since November 2023, employees have completed over 12,000 training hours on the platform
Leadership development program	Leaders, managers and professionals identified	The leadership development program offers a range of training courses. <p>Management basics: Targeted training program over 6 months, with 30 hours of workshops, missions, and preparatory and co-development activities.</p> <ul style="list-style-type: none"> › In 2024, 108 people formed 8 cohorts <p>Knowing yourself: Training program that allows participants to explore various aspects of their personality and personal journey so they can better understand their strengths and opportunities for development. This training over 6 weeks includes 15 hours in group workshops and reflection activities.</p> <ul style="list-style-type: none"> › In 2024, 179 people formed 6 cohorts
Coaching skills training	All managers and employees in influential roles at the Bank	This training is intended to enhance coaching skills and promote listening and influence strategies aligned with the Bank’s leadership profile and competencies. <ul style="list-style-type: none"> › In 2024, 129 people formed 12 cohorts
Women’s leadership	Women leaders at the Bank	This initiative supports women leaders in their development while spotlighting their talents, building their confidence and advancing their careers at the Bank. <ul style="list-style-type: none"> › In 2024, 144 women from various Bank sectors participated in the A Effect’s 100-Day Challenge <p>The Bank also works in collaboration with the Association of Quebec Women in Finance to offer numerous lectures, training and networking opportunities designed to help women achieve their full potential.</p> <ul style="list-style-type: none"> › In 2024, nearly 20 women from various Bank sectors took part in various initiatives offered by the association




- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Initiatives	Target employees	Description
Coaching, mentorship and sponsorship	All Bank employees	Resources are made available to support certain employees in their professional development. These include personalized coaching, mentoring and sponsorship. These relationships provide tools to complement the support provided by the employee's manager. <ul style="list-style-type: none"> > In 2024, 71 sponsorships, 25 external coaching relationships and 59 internal coaching relationships were launched
Banking advisor training plan	All Bank employees	Via a personalized training plan, our Banking Advisors can acquire new knowledge, allowing them to define a motivating career path and continue to upgrade their advisory skills. Managers assess the profiles of Banking Advisors, who then receive a personalized training plan based on the competencies prioritized by the business line. In 2024: <ul style="list-style-type: none"> > More than 2,500 Banking Advisors developed their competencies so they could transition to another job level > External hires dropped by nearly 65% in favour of internal promotion of employees in the Banking Advisor role
Responsible investment training	All client-facing sales force employees	One of NBI's priorities is to share its expertise to elevate understanding of responsible investment. In 2024, the Responsible Investment for Value Creation training course was rolled out to all of our business lines. More than 1,200 advisory sales force employees completed this training, giving them the knowledge and tools to discuss and answer our clients' questions about responsible investing, thereby enhancing their service offering.
ESG at the Bank: better understand to better contribute	All Bank employees	New training on ESG issues was developed in 2024. It sets out our vision and principles, as well as concrete actions to have a positive impact and participate in a sustainable economy. More than 18,000 employees have completed the ESG: 3 Letters for a Sustainable Economy training course.

Certificat de qualité des initiatives de formation

The Bank is among the companies awarded a *Certificat de qualité des initiatives de formation* by Emploi-Québec in recognition of the innovative quality of its development programs.





- > INTRODUCTION
- > ENVIRONMENT
- ✓ SOCIAL
- Clients
- Employees**
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Promoting winning working conditions

Compensation

We are a people-centric bank with a total compensation policy designed to support strategies for attracting, engaging and retaining skilled and high-performing employees, who are essential in meeting our business objectives. We carry out a market watch to provide competitive total compensation while ensuring compliance with the regulations and standards in effect, especially as concerns salary equity and employment equity, through strong governance of our compensation programs and practices.

Equitable compensation

Our core inclusion, diversity and equity values guide us in everything we do. Our commitment to building a work environment that welcomes, celebrates and adapts to differences is reflected in how we apply our compensation practices, which aim to recognize our employees' contributions fairly, transparently and equitably while ensuring their financial well-being. Although the regulatory framework encourages us to investigate and enhance our practices, equity is central to our management cycle and plays a fundamental role in the development of our compensation programs, which are characterized by:

- › A rigorous employment system based on neutral, bias-free criteria
- › Salary ranges reviewed annually in accordance with external salary watches
- › A bonus program for all roles

To take a neutral, objective look at our compensation practices, we mandated an external firm for a second year to analyze our compensation practices for over 18,000 employees across Canada. In concrete terms, the statistical analysis enabled us to compare the salary positioning of employees in designated groups (women, Indigenous Peoples, visible minorities and persons with disabilities) with employees who are not members of those groups. Similar functions were compared by applying neutral, bias-free criteria, such as overall experience, performance history and the scope of responsibilities associated with the position.

Table 6 – Results of the analysis on total compensation paid to our employees (Canada)^{1,2}

Segments	Women ³	Visible minorities ³
All employees	99.5%	99.7%
Senior management	98.5%	99.7%
Management	99.9%	99.6%
Clerical	100.8%	99.8%

The overall results for all positions combined show that the total average compensation gap is below 1% for the targeted groups, encouraging us to keep delivering on our commitment to increase representation across all roles at the Bank.

- › In general, total average compensation for women is 99.5% of that paid to men. The gap that needs to be closed is mainly between men and women in upper-level management positions.
- › Total average compensation for visible minorities is 99.7% of that paid to people not identifying as members of that group.
- › Compensation gaps for Indigenous Peoples and persons with disabilities are not statistically significant due to the small population size.



To learn more about on the concrete actions put in place to improve our representativeness, consult the Inclusion, diversity and equity section on [page 48](#) of this report.

1 Total compensation includes annualized salary paid at January 1, 2024, and incentive pay for Canadian employees generally paid in 2024 in reference to their performance over the course of 2023. The comparison excludes executives, employees with no base salary, employees on leave for more than one year, interns, retirees who are still working and employees receiving allowances under a specialized program. Senior management: Employees occupying a management or individual contributor role at levels 5 to 9. Management: Employees occupying a management or individual contributor role at levels 1 to 4. Clerical: Employees occupying a clerical function at levels 1 to 4.

2 Compensation data disclosed by the Government of Canada for businesses under federal jurisdiction is different because the methodology used does not allow us to measure the impact of several factors such as level of responsibility, years of service, performance, etc.

3 As compared to people not identifying as members of the designated group.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Although we have achieved salary parity in a number of segments, a gap remains. We must be vigilant and maintain equitable practices that support our values. The Bank has long implemented an internal governance structure for its compensation programs and practices to ensure employee compensation is aligned with its commitment to equitable treatment. The analysis of our practices is a part of this governance framework. We also hold discussion and skills development workshops with leaders to ensure compensation practices are applied in a uniform, bias-free way. We encourage employees to express themselves in various forums to make sure they understand the criteria underlying our compensation decisions and share any concerns that require our attention.

A number of initiatives continue to be proposed to review our compensation programs. We're still working to improve our inclusive employee benefits to ensure we remain an employer of choice.

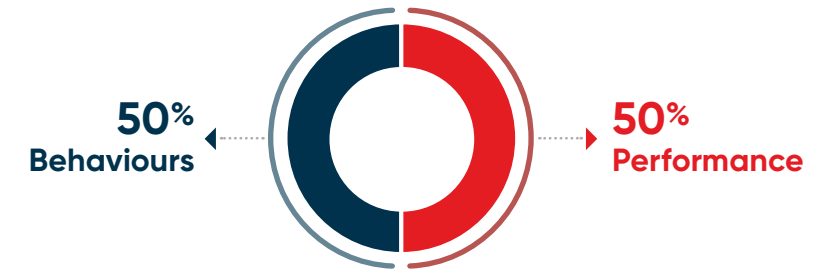


Performance management

All our employees work towards shared objectives that promote alignment across the Bank's sectors. Furthermore, all executives, including members of the Senior Leadership Team, share a single dashboard and are assessed based on common objectives.

To encourage a motivating work environment that promotes synergy and collaboration among business lines, the Bank focuses on three values: agility, partnership and empowerment. They serve as a guide for behavioural objectives, which count for 50% of employees' annual assessments. To help employees understand the target behaviours, we provide concrete examples that reflect the business realities of our corporate and advisory sectors.

Figure 3 – Calculation components for the annual assessment



To promote ongoing discussion, one-on-one meetings with managers are held throughout the year. These meetings give each employee an opportunity to demonstrate their value by discussing progress toward their objectives, adopted behaviours and the achievement of their development plan. They provide an opportunity for employees to review their performance and development and make adjustments if necessary.

Our employees ask for and give feedback in addition to offering recognition throughout the year to take stock of their strengths and explore opportunities for development. This is done by means of the work tools used on a daily basis. Employees thus take charge of their performance and initiate discussions with their manager to underscore their individual contributions to specific projects and collaborative initiatives. In 2024, as a result of the My Voice, Our Experience engagement survey, 78% of our employees agreed that they receive meaningful recognition when they do a good job.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Ongoing dialogue with employees

The Bank is committed to maintaining a dialogue with its employees to improve their experience. As such, it continues to examine ways to increase their participation in strategic decisions. Listening to and providing feedback contribute to employees' professional development and has a direct impact on their feeling of belonging, which plays a big part in affirming our culture. In this regard, the Bank relies on:

- › My Voice, Our Experience engagement surveys, which were conducted twice with all employees¹ in 2024
- › Surveys at different points in the employee's life cycle (recruitment, onboarding and departure)
- › A sharing platform that is accessible to nearly 14,500 employees to talk to their managers at any time about their work situation and climate and share their concerns

Survey results are then shared internally at My Voice, Our Experience presentations and through reports provided to all employees.

A top employer

Here are the main results of the My Voice, Our Experience survey:

89% of employees recommend the Bank as a great place to work.

91% of employees are proud to work at the Bank.

89% of employees are extremely satisfied with the Bank as a place to work.

The Bank also has an index to measure employees' feelings regarding its sustainability actions:

89% of employees are proud of the Bank's reputation in the community.

88% of employees believe the Bank is taking concrete measures to be socially responsible.

80% of employees say they make a concrete contribution to delivering on our ESG principles.



Settling disputes impartially and with respect

The Bank has an Employee Ombudsman to help settle any disputes employees may have at work and to deal with reported situations while protecting anonymity when necessary. The Employee Ombudsman's team reports directly to the President and Chief Executive Officer. As part of their mandate, the members of the Ombudsman's team:

- › Apply a confidential and impartial approach
- › Abide by a strict code of ethics
- › Encourage dialogue between the parties involved
- › Serve as advisors

In accordance with the Bank's [Code of Conduct](#), our employees must immediately report any potential violation to their managers, their managers' managers or a person responsible for the application of the Code, depending which resource they deem most suited to take action based on the circumstances. Those who want to remain anonymous can do so by contacting the Employee Ombudsman's team using the form available on the Bank's internal or external sites, by telephone or by email. Cases are always kept confidential and anonymous and there are no repercussions for employees who report a potential violation in good faith, even if it proves unfounded.

To process a report, the Employee Ombudsman's team applies an approach adapted to the circumstances of the case, taking into account the relevant laws and regulations and the standards and procedures in place at the Bank. Each member of the Employee Ombudsman's team analyzes the information objectively and without bias and takes action to identify and settle situations of unfairness or inequity.



To learn more, consult the Code of conduct section on [page 70](#) of this report and the [Code of Conduct](#) at nbc.ca.

¹ Excluding ABA Bank and ATA employees.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Employee benefits and wellness

The Bank offers a range of benefits and working conditions to promote the physical, mental and financial well-being of its employees and help them balance work and personal life. The Employee Experience team ensures the service offering remains competitive by monitoring the benefits offered on the market and listening to employees. The Bank wants to attract and retain top talent while maintaining a high level of engagement. Management practices that encourage better work-life balance are a determining factor for top employers.

Our range of flexible and innovative employee benefits includes:

- › Group insurance: medical and dental care, short-term and long-term disability coverage, occasional sick leave, etc.
- › A wellness account that expands on the range of coverage included in the group insurance plan and helps pay for a wide range of wellness activities and services
- › A generous and flexible pension plan
- › An attractive employee share ownership plan that the Bank contributes to
- › A competitive vacation and leave policy
- › Supplemental parental benefits that complement federal and provincial benefits, providing 100% of base salary to all new parents of newly born or adopted children for 12 weeks, subject to certain conditions
- › An integrated health platform that offers a range of professional and confidential health services and wellness resources for employees and their families, accessible on an unlimited basis and on demand 24 hours a day, seven days a week
- › Free, unlimited access to a virtual clinic that treats sleep disorders and provides support from a therapist in treating insomnia and improving sleep quality
- › A mental health peer helper program that provides employees with additional support and guidance toward available resources, as well as assistance from the first signs of distress
- › A childcare centre, located at the head office, for our employees' children
- › Privileges on certain banking and credit services and preferred rates on some financial products
- › Additional discounts on products and services resulting from Bank agreements with various service providers and partners



An optimal work environment

We aim to offer our employees the most stimulating work environment in the country. To that end, the Bank constantly monitors best practices in workspace design. For example, many features of the WELL building standards have been integrated into the planning of the floors of the new head office. This new building is filled with natural light and provides a welcoming, informal environment that fosters conversation and collaboration. Employees also have access to a health and wellness floor offering group and individual fitness sessions, a lounge and training on health-related topics to promote a healthy lifestyle. A childcare centre, a breastfeeding area and a space for meditating, relaxing and resting are also provided in the building.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees**
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Health and safety

Although the banking sector sees few work-related accidents, we take them very seriously. Above all, our health and safety initiatives primarily aim to ensure prevention, so all Bank employees feel comfortable and work in a safe environment at all times.

Our health and safety policy defines the roles and responsibilities and describes the Bank’s liability framework in that regard. It aims to ensure compliance with Canadian legislation. The Wellness and Employee Benefits team, in collaboration with various Bank bodies, works to support our health and safety programs and ensure they run smoothly. This is done through regular monitoring and reporting to management with recommendations for improvement to reduce risks to our employees. The Bank is committed to implementing the necessary measures to prevent and reduce workplace accidents.

In addition, we have rolled out a number of initiatives, such as:

- › A series of mandatory occupational health and safety training sessions
- › A wellness column that supports employees by presenting articles on topics such as mental health, physical activity and health, and safety at work
- › Tools such as videos and guides that explain best ergonomic practices to adopt in the office or when working from home

Table 7 – Workplace accidents¹

Indicators	2024	2023	2022
Minor injuries in Canada ²	35	33	24
Disabling injuries in Canada ³	8	11	7
Number of fatal workplace accidents in Canada	0	0	0



1 For consistency between the results presented in this report, the data in this table was calculated from November 1, 2023, to October 31, 2024, unlike the table in last year’s report.
 2 Minor injuries: Workplace injuries that do not involve taking leave after the day of the accident.
 3 Disabling injuries: Workplace injuries that involve taking leave in the days following the accident.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Inclusion, diversity and equity

OUR APPROACH

Inclusion, diversity and equity (IDE) are an integral part of the Bank’s culture. These values guide our daily actions and directly contribute to the well-being, growth, performance and pride of our teams. In this regard, we pay special attention to the following groups: women, visible minorities, cultural communities, Indigenous Peoples, persons with disabilities and LGBTQ2+ communities.

Our governance

Our IDE 2024–2026 three-year internal plan sets out our strategies around three priorities:

- › Deliver an inclusive culture that is based on our guiding principles of understanding and valuing differences, removing barriers, implementing equity measures and adapting how we do things
- › Build diverse teams, representative of our society, where differences are valued
- › Be a social actor in inclusion, diversity, equity and accessibility for our employees, communities, clients and service providers

The IDE Council provides a strong governance structure for our practice. Reporting to the Executive Vice-President – Personal Banking and Client Experience, the IDE Council is made up of members of management, leaders from the different sectors of the Bank and individuals representing each of the diversity groups. The IDE Council listens to stakeholders and is mandated to define the Bank’s IDE strategy, guiding principles and objectives. It prioritizes and implements actions for consistent cross-sector execution of the strategy, to report on progress and ensure that objectives are met.

The Bank has three guiding principles with respect to IDE:

- › Demonstrate curiosity and value **differences**
- › **Adapt** our work methods to ensure that each individual has an equitable and inclusive experience
- › Remove barriers and roll out intentional **equity** measures

We use dialogue and education to change behaviours while strengthening stakeholder engagement and accountability. Under the leadership of a dedicated IDE team, our actions draw on the experience of employees, squads deployed in all business sectors and the active contribution of our employee resource groups (ERGs). They play a key role in applying the IDE guiding principles within the Bank.

Our nine ERGs are made up of committed people working together to create a more inclusive and respectful workplace:

- › Women’s Leadership Network
- › Culture Club
- › MOI Network (LGBTQ2+)
- › Black Professional Network
- › Around Disability
- › R.A./I.N (Réseau Autochtones/Indigenous Network)
- › Asian Circle
- › LatinX Group
- › Young Employees Network




- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Zero tolerance for workplace discrimination, harassment and violence

The Bank has drawn up policies that present its commitments and the actions it has taken to offer a healthy and inclusive work environment that is free from all forms of discrimination, harassment and violence.

These policies cover such topics as prohibited grounds of discrimination, processes for reporting and handling complaints, including informal resolution mechanisms, the preservation of confidentiality, protection against reprisals, and medical and psychological support available to persons involved. The Bank has created a framework to ensure ongoing sound governance of practices intended to prevent workplace discrimination, harassment and violence.

 To learn more, consult the two policies available in the [Codes and commitments](#) section at nbc.ca:

- > Policy on the Prevention of Workplace Discrimination
- > Policy on the Prevention of Workplace Harassment and Violence



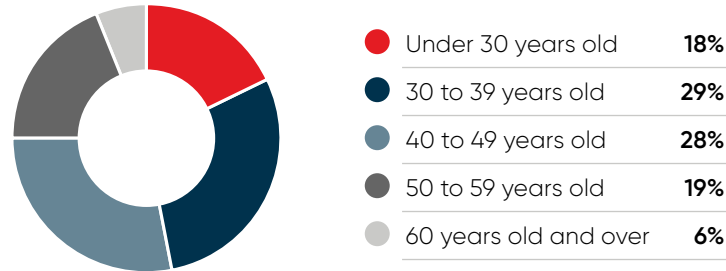


- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Our portrait

The Bank values employee diversity and sees it as a great source of wealth. We are proud to have employees who reflect the diversity of the community they serve, in different age groups, from different origins and with different gender identities and sexual orientations. This portrait¹ is based on the responses provided by 92% of our employees in the voluntary self-identification questionnaire.

Figure 4 – Distribution of employees by age group



51.2% of our employees are **women**, and they represent nearly **46%** of our senior management employees

4.8% of our employees are **persons with disabilities**, and **84%** of them are in management or professional positions

0.7% of our employees are members of **Indigenous communities**, and **86%** of them are in management or professional positions

3.4% of our employees are members of **LGBTQ2+ communities**, and **84%** of them are in management or professional positions

¹ Regular active employees working in Canada, as at December 31, 2024.

² Based on the definition set out in the *Employment Equity Act* and Statistics Canada classifications.

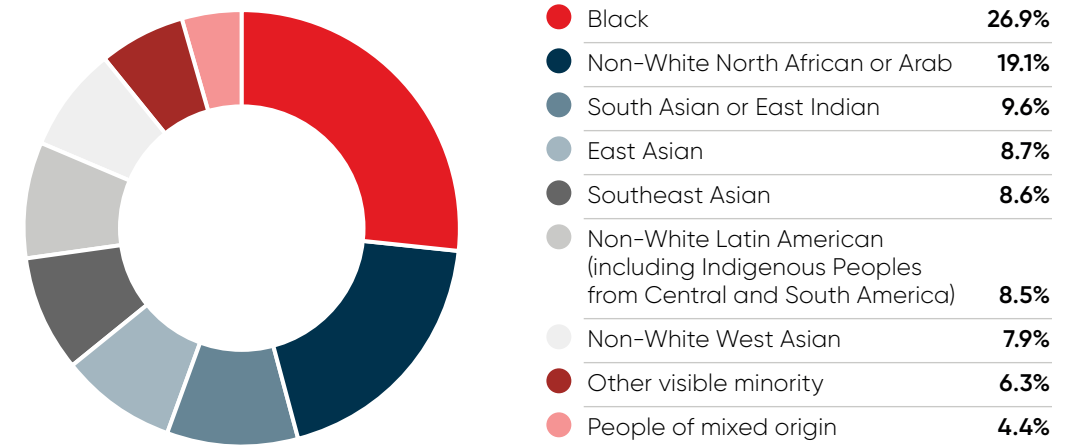
58%

of our employees have been at the Bank for over 5 years, and 15% have been with us for more than 20 years.

Representation of cultural communities and visible minorities

The communities of 150 countries are represented at the Bank, and more than 6,000 employees, or 31.7% of our workforce, consider themselves to be members of a cultural community. Our employees speak over 65 languages; the most common are French, English, Spanish, Arabic, Italian and Portuguese. Furthermore, 27.9% of our employees identify as members of a visible minority, including 7.4% who identify as part of the Black community.

Figure 5 – Representation of employees identifying as members of a visible minority group by origin²





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Our indicators

We measure the impact of our actions by how much our indicators improve.

- › Our engagement index remains high (87%), and we continue to hold a leading position in the market. This highlights our major strengths, including a client-centric culture and our employees' willingness to make a commitment to optimizing performance, both individually and collaboratively (Table 8).
- › Our inclusion index measures how inclusive employees perceive the Bank to be. With a score of 87%, it reflects their day-to-day experience (Table 8).
- › Overall and sector representation percentages for the Bank's different employee segments progressed in line with the 2026 targets (Table 9).

Table 8 – Employee engagement and inclusion indexes by segment

Segments	Engagement index ¹		Inclusion index ²	
	2024	2023	2024	2023
Overall	87%	86%	87%	89%
Women	88%	87%	87%	90%
Visible minorities ³	86%	85%	83%	86%
Persons with disabilities ³	82%	83%	82%	84%
Indigenous Peoples ³	86%	87%	87%	92%
LGBTQ2+	86%	84%	85%	90%

Table 9 – Employees representation

Segments	Overall pool ⁴			Senior management ⁵			Executive or member of the Senior Leadership Team ⁶		
	2026 targets	2024	2023	2026 targets	2024	2023	2026 targets	2024	2023
Women	48.0% to 52.0%	51.2%	51.7%	47.0%	45.9%	44.8%	39.0%	37.6%	36.4%
Visible minorities ³	26.0%	27.9%	26.0%	19.0%	20.2%	18.2%	12.0%	8.3%	9.3%
Persons with disabilities ³	4.5%	4.8%	4.1%	n/a	n/a	n/a	n/a	n/a	n/a
Indigenous Peoples ³	1.0%	0.7%	0.7%	n/a	n/a	n/a	n/a	n/a	n/a

1 The engagement index was established on the basis of the My Voice, Our Experience internal survey, which was completed by 14,364 employees in fall 2024. The index measures how motivated a team is to contribute to the success of the organization and to go above and beyond to achieve business objectives. We measure engagement using five statements.

2 The inclusion index is an index of perception established based on the My Voice, Our Experience internal survey, which was completed by 14,364 employees in fall 2024. The index is made up of six statements.

3 As defined under the *Employment Equity Act*.

4 Regular active employees working in Canada.

5 Regular active employees working in Canada in level 5 to 9 management functions.

6 Regular active employees working in Canada in a vice-president or higher function approved by the Senior Leadership Team.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Our 2024 achievements

In 2024, led by our three guiding principles and through strong partnership and close collaboration between the IDE Council, all business lines and our ERGs, we carried out the following initiatives:

Demonstrate curiosity and value differences

- › Publication of a monthly newsletter and presentation of informative content, testimonials, articles and videos via our internal web platforms.
- › Roll-out of internal educational materials for all employees and managers, such as training conferences and workshops on unconscious biases, informational videos and management tools.
- › Facilitation of a calendar of outreach, celebration and commemoration events on different themes within the organization and with our clients, including various cultural and religious festivals, to educate on different realities and establish an inclusive culture.
- › Creation of spaces for dialogue within teams across different communication channels and collaboration around themes such as racism, accessibility, female leadership, microaggressions, Black History Month, trans identity and gender identity.
- › Development of an intercultural posture through a program involving management, managers and employees.
- › Creation of the LatinX employee resource group, which joined the eight existing groups in promoting an inclusive work environment.
- › Participation for the first time in Moncton’s River of Pride Festival in addition to our annual presence at the Montreal Pride community day and parade and Pride Toronto Walk.
- › Recognition program and presentation of the Inclusion, Diversity and Equity Awards at a gala to recognize colleagues for the excellence of their initiatives over the year.

Adapt our work methods to ensure that each individual has an equitable and inclusive experience

- › Workshops for managers on inclusive recruitment.
- › Adaptation of our internal systems so that employees can display their pronouns and preferred first and last names.
- › Improvement of our employee benefits and wellness offerings (for example, front-line women’s health resources and insurance coverage of pregnancy-related expenses for others).

- › “Welcome Aboard” onboarding and sponsorship program for employees who have arrived in Canada within the past two years. This program aims to provide a safe space for participants to discuss their experiences in Canada and at the Bank so they can better understand our culture, our values and day-to-day life.
- › Simplification of the accommodation program to pave the way for success by adapting the work space, schedule or tasks in line with employees’ specific needs and realities.
- › Roll-out of disability management clinics to support managers further to streamlining of our accommodation process.
- › One-on-One Around Disability program, which aims to foster inclusion of persons with disabilities by providing additional peer support.
- › Integration of an inclusive and adaptive experience at the Bank’s new head office, including a childcare centre, a floor dedicated to health and well-being, a breastfeeding area and a space for meditating, relaxing and resting. An accessibility audit was also carried out by our partner Altergo.
- › Submission of the Bank’s [2024 Progress Report](#) in accordance with the *Accessible Canada Act*.

Remove barriers and roll out intentional equity measures

- › Hackathon in conjunction with Black History Month in February 2024 on the theme of Black career development, which resulted in six initiatives where all sectors of the Bank took part in designing and implementing intentional measures that remove barriers.
- › Sponsorship program that pairs executives and senior managers with women and visible minorities.
- › Participation in school career events, immigration fairs and job fairs targeting different groups.
- › Bursaries, paid internships and mentoring programs for students from one or more of the target groups to encourage their presence and career development in various sectors of the Bank.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Our partnerships

We have forged many partnerships with industry and external organizations to benefit from best practices.

TABLE 10 – IDE partnerships

Segments	Organizations
Women	<ul style="list-style-type: none"> › Association of Quebec Women in Finance (AQWF): Helps, supports and promotes women in finance. › Catalyst: Helps accelerate women’s advancement by promoting inclusion in the workplace. › A Effect: Boosts women’s professional engagement. › Women in Governance: Supports women in their leadership development and career advancement. › Women’s Empowerment Principles (WEPs): Helps promote gender equality in the workplace, in the labour market and in the community. › VersaFi (formerly WCM): Promotes equality through strategies and initiatives intended to increase the number of women in the industry and reinforce understanding of diversity and equality. › Women in Exchange Traded Funds (Women in ETFs): Develops and sponsors talent, recognizes achievements and supports women working in the exchange-traded funds industry. › FORTES: Helps attract new female IT talent in an inclusive manner. › Numérique au Féminin: Supports the advancement of women in the digital field by fostering their access to careers in IT.
Visible minorities and cultural communities	We have numerous partnerships in education and with organizations that support various communities, including the Black Professionals in Tech Network , Onyx Initiative and Radio Moyen-Orient .
Persons with disabilities	The Bank works with external organizations such as Autisme Sans Limites and Roseph to develop appropriate measures to recruit and support employees with visible and invisible disabilities. The objectives include reviewing the requirements for certain job postings to avoid hiring barriers and improve the experience of persons with disabilities.
LGBTQ2+ communities	The Bank is a signatory of the UN Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bi, Trans and Intersex (LGBTI) People .



To learn more about our Indigenous partnerships, consult the next page.



In 2024, the Bank received the Platinum Parity Certification for a fifth consecutive year. This honour from Women in Governance celebrates and recognizes our commitment and our ongoing efforts to achieve parity within our organization.

The Bank was also ranked among the Top 100 companies globally for gender equality in developed markets by Equileap.



> INTRODUCTION

> ENVIRONMENT

✓ SOCIAL

Clients

Employees

Indigenous Peoples

Community

> GOVERNANCE

> APPENDICES

Indigenous Peoples

OUR APPROACH

The Bank has had relationships with Indigenous Peoples for many years, whether with clients, employees or community groups. To continue our actions and move towards an open and ongoing dialogue, the Bank is committed to the Partnership Accreditation in Indigenous Relations (PAIR) Program from the Canadian Council for Indigenous Business (CCIB).

In 2024, we completed the second year of the PAIR certification program. We look forward to continuing to learn and to develop our approach to Indigenous realities and circumstances. Our goal is to develop relationships with Indigenous Peoples by building on business relations, the employee experience, community relations and the role of management.

Business relations

On the financial and entrepreneurial front, the Bank has supported the First Nations Finance Authority (FNFA) since 2014. Our bond program has enabled the FNFA to make more than \$2.7 billion available for the development of economic infrastructure.

In 2023, with the support of Mokwateh, an Indigenous consulting firm, our practices were evaluated with a view to improving them. Mokwateh then proposed a series of recommendations for developing sustainable business relationships with Indigenous communities.

Employee experience

We work in collaboration with the First Nations Human Resources Development Commission of Quebec (FNHRDCQ), particularly in conjunction with our intentional recruitment program for Indigenous Peoples.

We also organize awareness activities throughout the year in collaboration with our employee resource group Réseau Autochtones/Indigenous Network (R.A./I.N.), including the celebration of National Indigenous Peoples Day and National Indigenous Languages Day, and the commemoration of National Day for Truth and Reconciliation.

For the second year in a row, we also participated in the MAMU! Indigenous employment fair, which brings together First Nations talent and businesses from various sectors to support Indigenous hiring.

Community relations

We partner with a number of organizations tied to Indigenous Peoples:

- › **Right To Play:** Helps Indigenous youth reach their full potential through the power of play.
- › **Winnipeg Art Gallery:** Helps promote Inuit art.
- › **National Arts Centre Foundation:** Supports performing arts education programs for youth in Indigenous communities.
- › **Fondation UQAT:** Supports various awareness and research initiatives tied to Indigenous realities.
- › **Canadian Centre for Architecture (CCA):** Fosters ties with Indigenous youth to benefit the built environment across Canada.
- › **Canadian Council for Indigenous Business (CCIB):** Supports the development of positive and progressive relationships with our employees, clients and Indigenous partners to foster their growth.

Role of management

The Bank values dialogue, which is why our leaders attended key events on economic reconciliation with Indigenous Peoples. These included the seventh annual First Nations Major Projects Coalition (FNMPC) conference and the economic reconciliation table of the Canadian government's Minister of Indigenous Services.

Lastly, we continue to build our knowledge through training provided by the Ashukan Institute on Indigenous realities for our teams involved in developing and implementing the PAIR program strategy.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES


Community

OUR APPROACH

The Bank helps the communities in which it operates flourish through a well-defined donation and sponsorship program, the commitment of its employees and retiree volunteers, and large-scale fundraising campaigns in which our clients also participate.

Supporting organizations that change lives

The Bank is proud to be involved in the community through its philanthropic strategy that aims to support a great variety of organizations in the areas of education, entrepreneurship, health, community outreach, arts and culture, inclusion and diversity and the environment. Organizations are chosen according to rigorous governing principles, which are used as reference when assessing requests. The Bank thereby ensures it is as equitable as possible and maximizes its impact on the community.

 For more examples of our donations and sponsorships, consult the Corporate Social Responsibility Statement, available in the [Codes and commitments](#) section at [nbc.ca](#).



In 2024, the Bank supported communities by making over \$14 million in donations to organizations across the country. Here are some examples:

\$150,000
Fondation de l'Université du Québec en Abitibi-Témiscamingue
 Support various awareness and research initiatives on the realities of Indigenous Peoples.

\$1,700,000
Fondation du Centre hospitalier de l'Université de Montréal
 Contribute to the development of the Centre for Therapeutic Innovation in Psychiatry and Associated Disorders.

\$4,276,437
United Way
 Respond to community needs and address complex social issues. This amount includes funds collected from Bank employees and retirees across Canada, plus a corporate donation. This Canada-wide campaign has been held annually since 1977.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Being involved in the community

Hundreds of Bank employees and retirees expressed their commitment to the community in numerous ways over the past year.

Some examples of engagement activities

> Projets Autochtones du Québec (PAQ)

Many employees answered the call during a large-scale drive organized by the Risk Management sector. The organization raised nearly \$5,000 thanks to the efforts of these colleagues, allowing it to help 143 beneficiaries. This donation includes a contribution of nearly \$2,500 from the Bank through the Positive Impact Community Program. PAQ is an Indigenous organization that assists First Nations, Inuit and Métis individuals facing housing insecurity in Tio'tià : ke/Montreal.

> Easter Seals

Our teams at several branches and offices in Ontario got involved in Red Shirt Day to benefit the Easter Seals organization. Their efforts raised nearly \$7,000 for the organization, which works to improve the quality of life, promote the well-being and foster the independence of persons with disabilities. This donation included a contribution of nearly \$3,500 from the Bank through the Positive Impact Community Program.

> Centre Multisport

The Bank's local team swung into action for an athletic day at the Centre Multisport in La Baie. The goal was to raise funds to support the organization, which has taken on a key role in the local community over the years thanks to its diverse, high-quality services. The event raised over \$10,000 for the Centre Multisport in La Baie.

> Butterfly Run

Bank employees participated in the Butterfly Run held in Vancouver, Kelowna and Nanaimo to raise funds in support of families who have experienced infertility or pregnancy loss. The organization behind the event offers group counselling, community connection, bereavement boxes and care cards, along with other services. Our employees' involvement made it possible to raise \$6,500 for the organization.

> MultiCaf

As part of the Bank's annual United Way Centraide campaign, many employees made a commitment to volunteer during the year. Of these volunteers, 178 carried out various tasks in connection to the services and mission of MultiCaf, an organization based in Montreal's Côte-des-Neiges neighbourhood that fights against food insecurity.



To learn more, consult the [Employee and retiree engagement](#) section at [nbc.ca](#).



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Promoting inclusion in the community

To enable the community to benefit from the full contribution of all its members, the Bank supports many organizations that foster the inclusion of women, visible minorities, persons with disabilities and members of LGBTQ2+ communities

Table 4 – Partnerships in promoting inclusion in the community

Segments	Organizations
Women	<ul style="list-style-type: none"> › Lise Watier Foundation: Supports and encourages the economic development and financial independence of women by providing them with the means to realize their full potential through the Let's Start Up Program. › YWCA Montreal: Builds a better future for women, girls and their families. › ESPACE GO: Promotes women's voices in the arts. › Fitspirit: Encourages teenage girls to be active for life. › La rue des Femmes and Chez Doris: Support the fight against female homelessness.
Visible minorities	<ul style="list-style-type: none"> › Afrodescendant Leadership Alliance: Builds the abilities of Black leaders and provides them with the resources and tools they need to succeed. › BlackNorth Initiative: Reduces the disparities for Black Canadians created by systemic anti-Black racism. › Black Opportunity Fund: Supports business owners and non-profit organizations from Black communities across Canada and helps them achieve their full potential.
Persons with disabilities	<ul style="list-style-type: none"> › Paralympic Foundation of Canada: Offers persons with disabilities more opportunities to participate in sports. › Giant Steps: Supports the creation of a cutting-edge facility in Montreal specifically designed for autistic people. › Fondation Martin-Matte: Offers a better quality of life to people living with traumatic brain injuries and physical disabilities. › Fondation Les Petits Rois: Supports independence among young adults with intellectual disabilities and autistic young adults.
LGBTQ2+ communities	<ul style="list-style-type: none"> › Fondation Émergence: Supports the fight against homophobia and transphobia through awareness and education and celebrates the achievements of individuals and groups participating in this fight. › GRIS-Montréal: Fosters a better understanding of sexual and gender diversity and promotes the integration of members of LGBT+ communities into society. › Conseil québécois LGBT: Improves and promotes access to services for people of all sexual orientations and gender identities.

ABA Bank

In 2024, ABA Bank donated approximately US\$470,000 to various organizations in Cambodia.

These donations were destined in particular for humanitarian and health organizations. Thanks in part to ABA Bank's financial contribution, these organizations were able to continue their mission in 2024 by providing support to communities affected by natural disasters as well as offering medical treatment and preventive care in rural areas.

ABA Bank proudly supports the projects of the Samdech Techo Voluntary Youth Doctor Association (TYDA). The TYDA team provides free general check-ups, medical treatments and other health services to the community. The Bank's employees regularly volunteer during the association's check-up and medical treatment campaigns across the country.

With the aim of encouraging the general level of education in the country, and in particular that of people who have a strong aptitude for higher education but find themselves in precarious financial situations, ABA Bank supports organizations that implement programs focused on education, financial aid for students and the renovation of school infrastructure.

In 2024, ABA Bank's school infrastructure renovation project completed its mission in three provinces. The project aims to renovate schools and provide essential equipment for teaching and learning, such as desks, whiteboards and computer labs to improve students' technological skills for the future.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- Clients
- Employees
- Indigenous Peoples
- Community
- > GOVERNANCE
- > APPENDICES

Collaborating with academia

École de technologie supérieure (ÉTS) and Polytechnique Montréal

To promote careers in the information technology (IT) sector for young people, the Bank continued its partnership with ÉTS in 2024. This partnership includes:

- › Two bursaries of \$2,000 each with internships
- › \$10,500 in financial support for a number of student committees that focus on information technology and inclusion and diversity

In 2024, the Bank also continued its partnership with Polytechnique Montréal. This partnership includes:

- › Three \$5,000 bursaries, including two bursaries to reward excellence and one bursary with internship to recognize women leaders
- › \$11,000 in financial support for a number of student committees that focus on information technology and on promoting women and members of LGBTQ2+ communities

In line with these partnerships, the Bank’s IT sector organizes and participates in activities throughout the year to build closer ties with students and share experiences and expertise. These include career days, presentations, workshops, networking events, mentorship activities, and more.

Institute for Data Valorization (IVADO)

To accelerate innovation in the fields of data science and digital intelligence, the Bank is supporting IVADO in the development of knowledge in university settings. This knowledge is key to building a skilled workforce that can find solutions to future social and economic issues. The partnership, now in its eighth year, represents an investment of \$1,020,000 to date.

In 2024, the Bank made a number of contributions to the development of knowledge in digital intelligence by:

- › Supporting the governance of two specialized training programs under NSERC-CREATE—Fin-ML and SE4AI—to develop the workforce in cutting-edge fields where the content currently provided by university programs is limited

- › Coaching graduate, doctoral or post-doctoral interns on research and development initiatives
- › Leading collaborative projects on key topics such as protecting personal information, the industrialization of generative artificial intelligence and artificial intelligence you can trust
- › Pursuing its leadership role in the community of practice dedicated to industrializing artificial intelligence, which brings together key contributors from the academic and business communities

NBI-HEC Montréal Fund

Created in 2019, the NBI-HEC Montréal Fund offers students the opportunity to manage a multi-asset portfolio based on current market conditions. Students build the fund using a topdown approach that incorporates risk budgeting, development of strategic (3 to 5 years) and tactical (monthly) asset allocation strategies based on economic data, and selecting and monitoring investment vehicles based on rigorous analysis. The NBI team provides ongoing coaching to over 15 analysts who manage over \$6 million in assets as part of this initiative.

This year, the students have set themselves the goal of establishing a target ESG rating that the Fund must meet or exceed. They researched and tested several approaches to achieve this, looking to avoid any type of bias in order to ensure the objectivity of the method used. This work will continue into 2025. Once their approach is finalized and approved by NBI, the strategy will be integrated into the Fund. The support offered by NBI’s responsible investment specialists demonstrates their commitment to passing on industry best practices to future specialists in the world of finance.



> INTRODUCTION

> ENVIRONMENT

> SOCIAL

▼ GOVERNANCE

Corporate Governance

Corporate Ethics

Information Security

> APPENDICES

GOVERNANCE



Ensuring the Sustainability of the Bank

Our ESG principles

- › We promote a strong ethics culture, sound governance practices and rigorous risk management
- › We manage according to responsible business practices
- › We ensure the long-term viability of the institution





> INTRODUCTION

> ENVIRONMENT

> SOCIAL

▼ GOVERNANCE

Corporate Governance

Corporate Ethics

Information Security

> APPENDICES

Corporate Governance

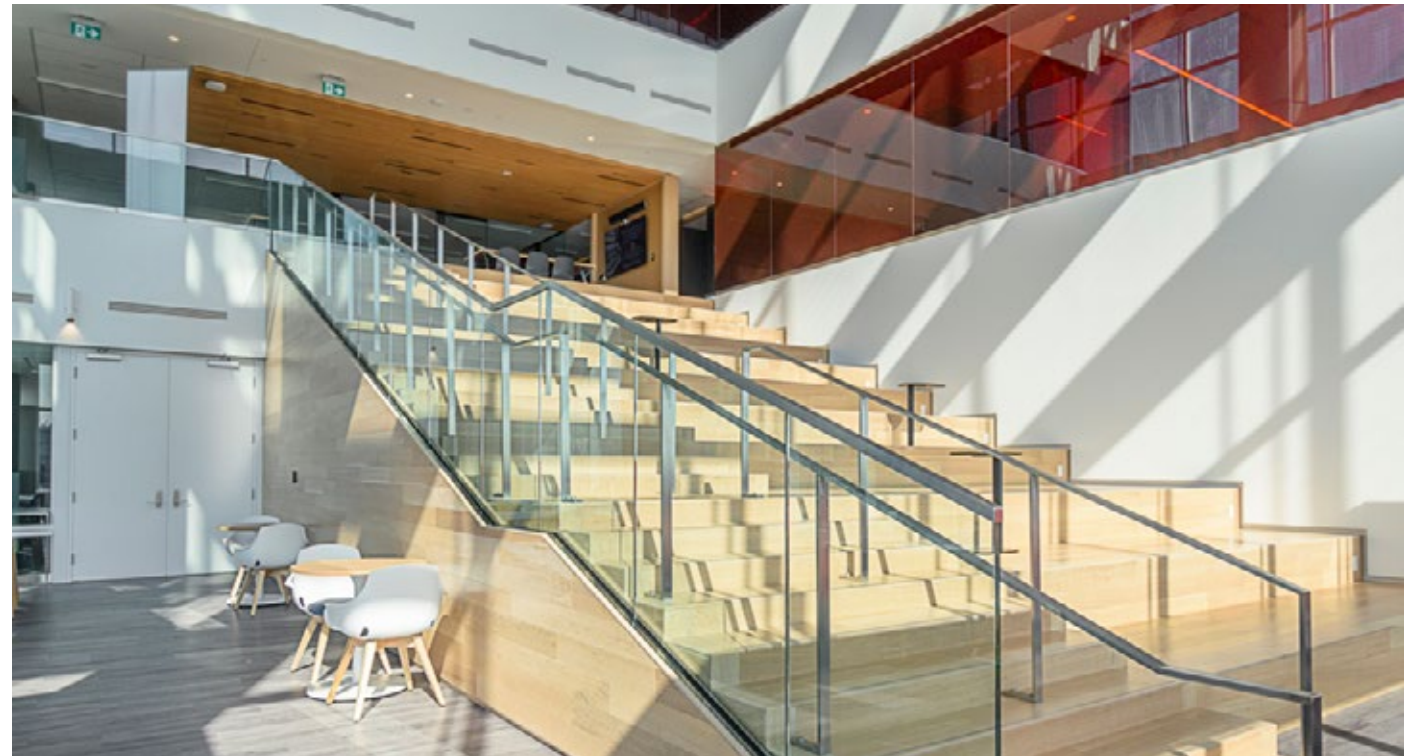
OUR APPROACH

The Bank’s governance is achieved through the collaborative work of the Board of Directors (the Board), the Senior Leadership Team and our stakeholders. We believe that, by taking concerted action together with our stakeholders, we can continue to sustainably meet the changing needs of our society. Integrity, trust and honesty are fundamental to our relationships, and we apply the highest ethical standards in the way we conduct our business. It is essential to create a corporate governance culture that promotes compliance with applicable best practices and rules. The Bank considers ESG factors key drivers in all its activities. This is why our ESG governance framework is designed to balance oversight of ESG factors by the Board and its committees, with subject matter expertise anchored in business sectors across the Bank.

Maintaining an ongoing dialogue with our stakeholders

The Bank believes dialogue is an effective way to contribute to positive change within the organization and in the communities we serve. Constructive, open and transparent dialogue with our stakeholders is a key priority for the Bank. It allows us to identify and understand their views and concerns and respond appropriately to the changing needs of our society.

To demonstrate its commitment, the Board has adopted [guidelines](#) that identify the Bank’s main stakeholders and the means to maintain an ongoing dialogue with them. This dialogue helps inform strategic decision-making, in particular when it comes to ESG matters, and contributes to improving our practices.





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance

- Corporate Ethics

- Information Security

- > APPENDICES

Table 12 – Main dialogue activities with our stakeholders and main ESG topics addressed in 2024

Stakeholder groups	Main activities	Main ESG topics addressed in 2024
Clients	<ul style="list-style-type: none"> › Conversations via Customer Service and branch networks (in person, over the phone, by email, via social media and digital platforms, etc.) › Surveys and focus groups › Educational content on the nbc.ca website and on social media › Complaint handling process › Client Complaint Appeal Office › Discussions and meetings between the Senior Leadership Team or the Board and consumer associations › Meetings during client events 	<ul style="list-style-type: none"> › Remote banking services, digital platforms and services offered › Improving the experience in branches › Financial inclusion, health and accessibility › Market trends and economic analyses › Fraud prevention: protecting personal information and cybersecurity › Sustainable finance › Client satisfaction › Energy transition › Supporting and protecting seniors
Employees	<ul style="list-style-type: none"> › Quarterly conferences with the CEO and other members of the Senior Leadership Team › Internal communication platforms › Surveys and focus groups on the employee experience › Employee Ombudsman and Reporting Office › Inclusion, Diversity and Equity Council › Employee resource groups › Visits from executives and members of the Board › Employee Assistance Program 	<ul style="list-style-type: none"> › Physical well-being and mental health › Inclusion, diversity, equity and accessibility › Data management, protecting personal information and access management › Safe work environment › Employee engagement › Career advancement and mobility › Talent management › Work-life flexibility › Pension plan and employee benefits › Market trends and economic analyses › Community involvement › Sustainable mobility › Sustainable workplace (waste management, reusable containers and reduction at the source)



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Stakeholder groups	Main activities	Main ESG topics addressed in 2024
Community: civil society, peers, interest groups, industry associations, regulatory and governmental authorities, etc.	<ul style="list-style-type: none"> > Consultations, roundtables, surveys, conferences and forums > Charitable events > Donation and sponsorship program > Initiatives led by groups representing various communities and interests > Academic research > Partnerships with incubators and accelerators > Working groups with our peers > Business and industry associations > Interviews and press releases > Dialogue and meetings between the Senior Leadership Team, the Board and regulatory agencies and other government bodies > Public disclosure of sustainability activities reports 	<ul style="list-style-type: none"> > Education, entrepreneurship, health, physical activity, community outreach, arts and culture > Inclusion, diversity and equity > Climate change and planning for the energy transition > Biodiversity protection > Resilience and economic conditions > Canadian household debt and socioeconomic inclusion > Affordable housing > Indigenous relations > Climate standards and reference frameworks
Shareholders and investors (and analysts, brokers, etc.)	<ul style="list-style-type: none"> > Informative presentations, meetings, calls and discussions with the Senior Leadership Team and/or the Chair of the Board or other Board members > Quarterly conference calls and webcasts to present financial results > Conferences sponsored by brokers > Press releases > Investor relations > Annual meeting > Participation of the CEO in economic conferences > Proposals submitted to a vote by the Senior Leadership Team or shareholders, including the advisory vote on compensation, and the question period 	<ul style="list-style-type: none"> > Financial results and sustainable finance > Strategic priorities and management of non-financial risks > Climate strategy > Governance practices > Executive compensation program > Pay equity > Inclusion, diversity and equity > Communication of information, targets and results for ESG criteria > International commitments and partnerships



For more information, consult the Management Proxy Circular, available in the [Investors](#) section at [nbc.ca](https://www.nbc.ca).

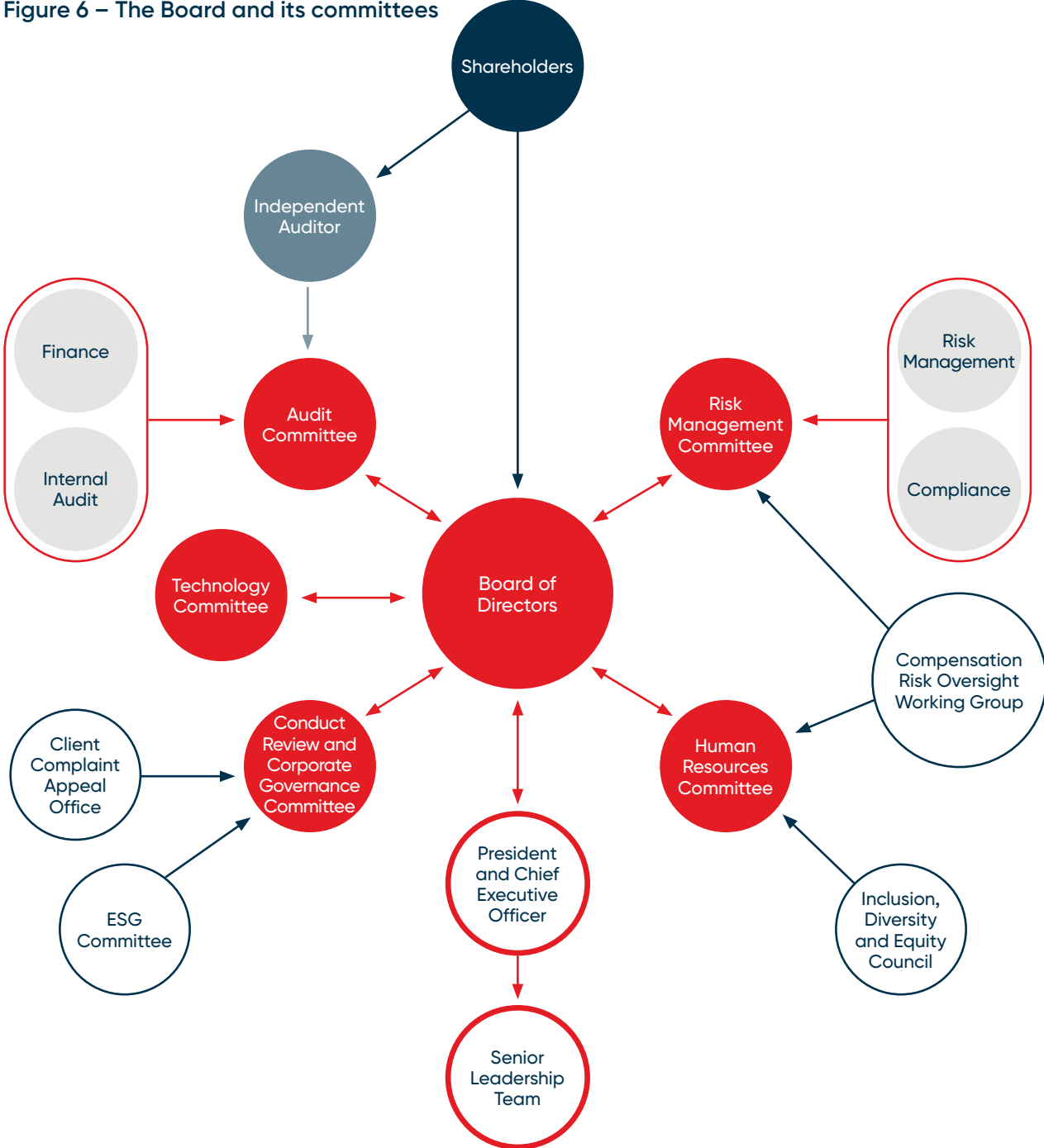


- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > **GOVERNANCE**
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

The Board and its committees

The Bank's corporate governance consists of a set of structures and policies. It is supported by the Board and its five committees. Figure 6 illustrates the interaction between committees, oversight functions and the Board.

Figure 6 – The Board and its committees





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- ▼ **GOVERNANCE**
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Composition of the Board

The Board is composed of members with complementary profiles, and their expertise allows them to make active, informed and positive contributions. To fulfill all aspects of its role efficiently and effectively, the Board requires from its members a combination of knowledge and skills in multiple areas, including social and environmental responsibility, governance and enterprise culture. This is of great value to the Board, enabling it to make informed decisions and deliver on its mandate.

All Board members must demonstrate the following aptitudes:

- › Dedication and integrity
- › Commitment, discipline and involvement
- › Contribution to the Bank’s values and business acumen

Succession planning is fundamental to strong governance. The Board selects candidates who uphold the Bank’s values. Each year, the Conduct Review and Corporate Governance Committee is tasked with reviewing the composition of the Board and its committees, ensuring the presence of complimentary expertise, as well as with compiling a list of potential candidates.

Director independence is assessed regularly. This is a key factor of our governance as we strive to foster independent decision-making. The Board implements frameworks and procedures to ensure it.

 To learn more about the rules adopted by the Board to ensure member independence, consult the Director Independence Policy, available in the [Governance](#) section at [nbc.ca](https://www.nbc.ca).

Portrait of the Board as at October 31, 2024

14	Number of Board members
13 / 14	Number of independent members
	All committee members are independent, elected individually and annually
	All members are financially literate
	Formal Board assessment process
	Meeting attendance requirements met
	Chair of the Board and President and Chief Executive Officer are separate roles
	Majority voting policy for the election of Board members
	Code of Conduct signed and upheld by all members
	Advisory vote on the Board’s approach to executive compensation
	Guideline on duration of mandates
	Orientation and training program for members
	Policy on conflicts of interest
	Policy on inclusion and diversity on the Board
	Subsidiary Governance Policy
	Policy on background screening



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE

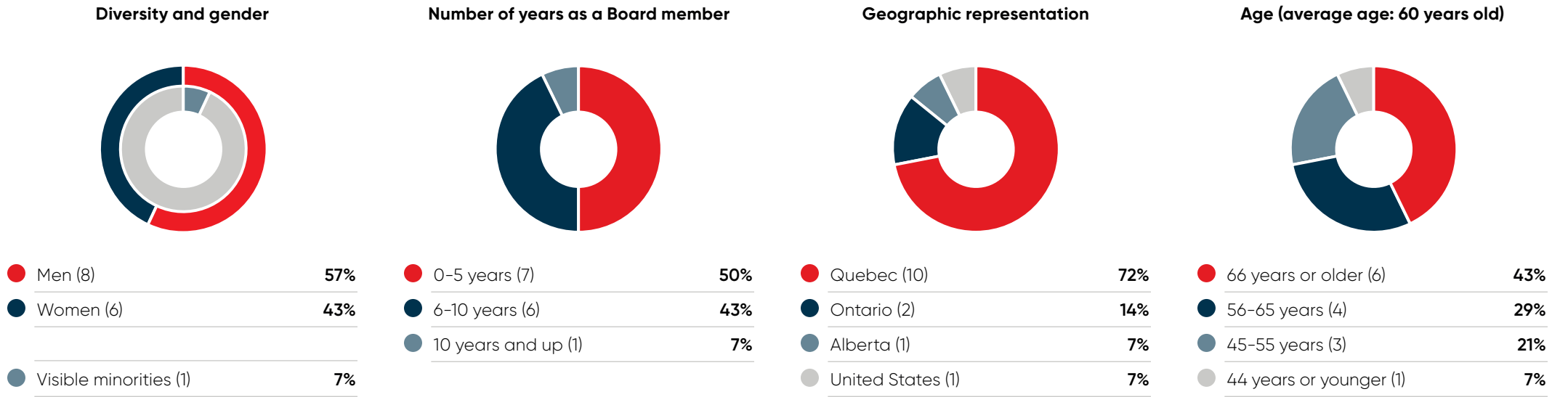
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Diversity on the Board

We're committed to promoting inclusion and diversity at all levels of our organization, and the composition of the Board is no exception. As at October 31, 2024, 43% of Board members (6 out of 14) were women. Furthermore, two of the Board's five committees are chaired by a woman. Moreover, in 2023, the Board adopted a parity objective ensuring that at least 40% of independent directors are women.

Our [Inclusion and Diversity Policy of the Board of Directors](#) sets out to bring together directors that represent the communities in which the Bank is present, and includes characteristics like gender identity and belonging to underrepresented groups, other factors of diversity, such as age, belonging to an ethno-cultural group or place of residence, as well as the presence of people with different profiles and a wide range of professional experiences and skills.

Figure 7 – Data points on Board members



To learn more on our governance practices and the main ESG responsibilities of the Board and its committees, as well as a full list of training given by the Bank, consult the Management Proxy Circular, available in the [Investors](#) section at nbc.ca.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance

- Corporate Ethics
- Information Security
- > APPENDICES

Board oversight role

The Board oversees ESG factors in order to meet the changing needs and expectations of stakeholders. The ESG organizational structure is designed for all levels of the organization to contribute to our objectives and commitments, including Board members who, through the various committees, exercise their role of oversight over ESG factors. Consequently, the Bank has adopted measures enabling it to extend its commitment in this regard, notably through structured governance and the deployment of a strategy based on the ESG principles adopted by the Board in 2019.

The Board ensures ESG governance practices are fair, transparent and supported by solid mechanisms, such as dialogue with stakeholders. The Board ensures that ESG factors are integrated into long-term strategic objectives while monitoring the progress of initiatives and commitments. The Board and its committees—the Conduct Review and Corporate Governance Committee, the Risk Management Committee, the Audit Committee, the Human Resources Committee and the Technology Committee—have all been assigned ESG responsibilities, including with respect to climate. They are established according to the committees’ respective roles and their members’ expertise. The goal is to ensure that the Bank’s activities are conducted in accordance with high corporate responsibility standards. The Board and its committees are supported in their duties by the Senior Leadership Team and various internal committees, including the ESG Committee.

Table 13 – Key responsibilities of the different Board committees in relation to ESG factors

Committee	Key responsibilities
Conduct Review and Corporate Governance Committee	<ul style="list-style-type: none"> > Oversee the Bank’s ESG strategy > Keep abreast of ESG best practices > Ensure that the Bank operates in accordance with its one mission > Ensure that the Bank’s ESG practices are sound and compliant with legislation > Examine certain Bank disclosures related to ESG, including the Sustainability Report, Climate Report, Corporate Social Responsibility Statement and Human Rights Statement > Monitor if Board members, officers and employees act ethically and responsibly > Oversee implementation of the Bank’s consumer protection framework > Plan for the succession of Board members and committee and Board chairs
Risk Management Committee	<ul style="list-style-type: none"> > Ensure that the risk management framework and risk appetite take ESG risks into account, including climate risk > Monitor key and emerging risks, including ESG risks such as climate risk > Ensure that ESG risks, including climate risk, are properly identified, monitored and integrated into the risk management process > Review climate risk reports, including the Climate Report
Audit Committee	<ul style="list-style-type: none"> > Monitor trends related to control mechanisms and the integration of ESG factors into financial reporting
Human Resources Committee	<ul style="list-style-type: none"> > Ensure that the Bank has programs in place to attract and retain top talent and promote the employee experience > Ensure that organizational culture and human resources management strategies are aligned with the Bank’s ESG practices and strategies, including aspects related to employee health and well-being > Ensure inclusion, diversity and equity strategies are in place > Communicate with Bank stakeholders and ensure compliance with governance standards on compensation and other governance issues
Technology Committee	<ul style="list-style-type: none"> > Monitor that practices identify, assess and prevent cybersecurity, privacy, technology and data risks



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > **GOVERNANCE**
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

ESG Committee

The ESG Committee is led by the Chief Financial Officer and Executive Vice-President Finance. It is composed of experts representing the different sectors of the Bank, including several members of the Senior Leadership Team, who meet monthly. Its main function is to establish and support the Bank’s ESG strategy, principles and commitments, while acting as an ambassador to promote them across the organization.

Supported by a management committee, three working groups and a team entirely dedicated to sustainability, the Committee oversees implementation of the recommendations of the TCFD, the PRB and the Bank’s ESG commitments.

The ESG Committee reports as needed to the Senior Leadership Team on progress made toward ESG priorities and commitments, and twice a year to the Board’s Conduct Review and Corporate Governance Committee. An organizational structure is in place to achieve these objectives through concerted action. In addition, ongoing constructive dialogue among various internal and external stakeholders helps advance the Bank’s ESG practices. An agile and client-focused approach, in addition to the engagement of the Bank’s entire workforce, enables us to maximize our impact.

1 ESG Committee

Committee that establishes, supports and promotes the Bank’s ESG strategy, principles and commitments across the organization.

2 Management Committee and three working groups

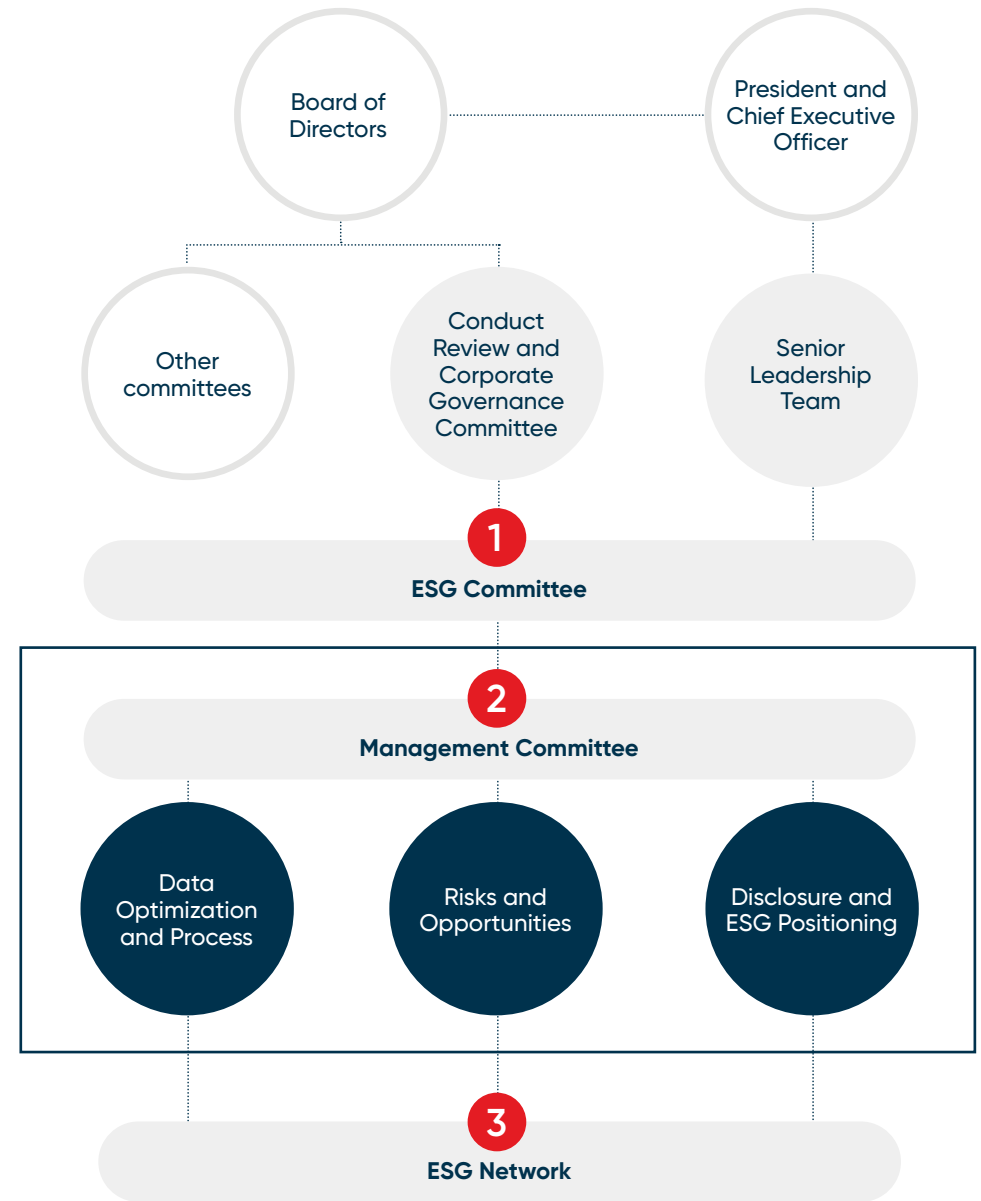
Groups with distinct roles and responsibilities to better advise the ESG Committee. They support:

- › Establishment of ESG principles and commitments and their alignment with business units
- › Implementation of the ESG data management strategy
- › Monitoring and disclosure of new regulatory and communication requirements

3 ESG network

Group of experts from each sector supporting working groups to continue our transformation in terms of sustainability.

Figure 8 – The Bank’s ESG organizational structure





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Environmental and social risk management

Environmental and social risk refers to potential issues that could result in a financial loss for the Bank or affect its operations. These issues include:

- > **Environmental risk:** use of energy, water and other resources, climate change and biodiversity.
- > **Social risk:** considerations linked to human rights, accessibility, inclusion, diversity and equity as well as considerations linked to human capital management practices, namely working conditions and the health, safety and well-being of our employees.

These are compounded by the rapidly changing global regulatory environment, increased regulatory expectations and oversight, and the potential imbalance between regulatory requirements and stakeholder expectations. The Bank’s reputation could also be affected by its actions or inaction, or the perception of inaction or insufficient action leading to progress.

All these factors can result in increased exposure to reputational risk, regulatory non-compliance risk and strategic risk. That’s why we monitor and analyze these factors and update our processes on an ongoing basis. Many governance and risk management processes have been implemented in this regard.

Governance

Environmental and social issues are at the heart of our decision-making process. The integration of ESG factors into the Bank’s processes is progressing in accordance with the implementation of its strategy and the principles approved by the Board. ESG indicators have been added to various dashboards and are being phased into the risk appetite framework. Reports on these indicators and the monitoring of our commitments are presented periodically to the internal committees and Board committees responsible for overseeing them.

In addition, the Bank has an environmental policy expressing its commitment to protecting the environment in the face of human activities, both with respect to our own operations and to their impact on the community. It also has an internal ESG policy to better reflect sustainability issues in its overall strategy and to define key guidelines and responsibilities related to sustainability management and governance at the Bank.

Risk management

Identifying, assessing, mitigating and monitoring environmental and social risk is integral to the Bank’s risk management framework and risk appetite framework. Given its importance, climate risk has been integrated more thoroughly, and a climate risk management standard has been developed. The Bank is taking concrete steps to meet its commitments and upgrade its plan, which aims to quantify the financial impacts of environmental and social risk. The Bank also undertakes to communicate transparently on progress made and commitments to which it is a signatory through annual reports.

In the past few years, we have witnessed the emergence of a new aspect of environmental risk management, namely the potential financial repercussions of the impact of climate change on biodiversity and ecosystem services. Actors from the financial system have been engaged in the Nature Community of the UNEP FI, of which the Bank is a member. Since this dimension of environmental risk is in its infancy, the Bank continues to monitor the development of various initiatives and participate in reflective exercises.

To learn more, consult the Risk Management section of the [2024 Annual Report](#) and the Risk Management section of the [Climate Report](#) at [nbc.ca](https://www.nbc.ca).





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- ▼ **GOVERNANCE**
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Assessment and compensation of executives

SYNERGY – Executives is our compensation program for the President and Chief Executive Officer, executive officers and officers. It was rolled out in 2021.

The SYNERGY – Executives program can be summarized as follows:

- › A single collective compensation envelope funding the base salary as well as short-, mid- and long-term variable compensation. It is created using an internal scale based on available net income.
- › Two performance multipliers:
 - A One Mission performance multiplier that increases or decreases the envelope based on the achievement of key indicators
 - A multiplier based on the assessment of ESG priorities progress, which may also increase or decrease the envelope



To learn more, consult the Management Proxy Circular, available in the [Investors](#) section at nbc.ca.

Independent assessment by the Internal Audit function

Internal Audit is an independent oversight function within the Bank. It is responsible for objectively providing independent assurance and advice to the Audit Committee, the Board and the Senior Leadership Team on the efficiency of the main governance processes and systems and on the management of risks and internal controls, as well as offering recommendations and advice for promoting the Bank’s long-term strength.

Internal Audit conducts audits on ESG matters and, through its activities, provides assurance that the governance and risk management mechanisms in effect promote a culture of ethics and integrity and ensure compliance with the ESG commitments.





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- ▼ **GOVERNANCE**
 - Corporate Governance
 - Corporate Ethics**
 - Information Security
- > APPENDICES

Corporate Ethics

Code of Conduct


The nature of our work means that clients, colleagues, shareholders and members of the community expect us to be trustworthy and maintain the highest ethical standards.

The Bank’s [Code of Conduct](#) (the Code) details the key principles that define our individual, professional and collective ethics. The Code guides our actions every day. It includes a tool to assess difficult situations and make ethical decisions responsibly.

Everyone at the Bank—employees, executives and Board members—is required to comply with the Code. Each employee must commit to abiding by the Code upon hiring and must undergo training. Throughout the year, we provide communications to raise awareness about particular subjects and require employees to sign an annual attestation renewing their commitment to abide by the Code. Suppliers and consultants must also be aware of and comply with the principles of the Code or the [Supplier Code of Conduct](#), in accordance with the terms of their agreements. The Board’s Conduct Review and Corporate Governance Committee oversees compliance with the Code.

Reporting breaches

To promote a culture of ethics and maintain a respectful, welcoming and stimulating work environment, all employees are responsible for immediately reporting any ethical breach, any breach of the Code, other Bank policies and procedures, or legislation. Numerous resources are available, many of which allow for anonymous reporting. Depending on the situation, employees may express their concerns to their manager or their manager’s manager, the Employee Experience Advisory Centre, the Employee Ombudsman’s Office or the Reporting Office. Our employees are free to express themselves without fear of reprisals.

 To learn more, consult the section Settling disputes impartially and with respect on [page 45](#) of this report.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Anticorruption

The Bank is committed to complying with Canadian and international legislation prohibiting corruption and influence-peddling, while preserving public trust. That’s why the Bank has implemented a robust anticorruption program that reflects its ethical values and its commitment to acting responsibly, no matter where it does business. The Anticorruption Policy is central to this program.

 To learn more, consult the [summary of the Anticorruption Program](#) at [nbc.ca](#).



Anti-money laundering and anti-terrorist financing

Money laundering and terrorist financing techniques used by criminals are becoming more sophisticated. To ensure compliance with the requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and its regulations, and to earn the trust and confidence of its customers, shareholders, the market and the public, the Bank has implemented an anti-money laundering and anti-terrorist financing program to prevent the use of its products and services to those ends. Controls are in place to monitor and detect financial transactions suspected of being related to money laundering and terrorist financing, and report them to the applicable regulatory authorities.

 To learn more, consult the [summary of the Anti-Money Laundering/Anti-Terrorist Financing Program](#) at [nbc.ca](#).

Meeting international requirements

The Bank is required to comply with the regulatory requirements applicable in each of the jurisdictions in which it operates and with the international sanction requirements for each of those jurisdictions. The Bank’s international sanctions program has been developed with this in mind. The Bank must therefore refuse prohibited transactions and freeze assets in its possession if they are owned or controlled by a person or entity subject to international sanctions. These situations must also be reported to the appropriate regulatory authority. Manual and automated controls are designed, implemented, maintained and tested to ensure the Bank does not participate in any financial transaction that involves a foreign government, state, entity, industry or individual, and that would be considered prohibited under existing international sanctions.




- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- ▼ **GOVERNANCE**
 - Corporate Governance
 - Corporate Ethics**
 - Information Security
- > APPENDICES



Human rights

Respecting and protecting human rights and freedoms are among the Bank’s fundamental values. The Bank’s Human Rights Statement sets out its guidelines, commitments and expectations with respect to human rights. It outlines how the Bank applies its principles in its activities and relationships with various stakeholders.

 To learn more, consult the Human Rights Statement available in the [Commitments and impact](#) section at [nbc.ca](https://www.nbc.ca).

Lobbying and public policy

The Bank strives to maintain an open dialogue with all of its stakeholders. To support the communities it serves, while ensuring the strength and resilience of our financial system, it is sometimes asked to share its perspective on public policy.

Through its codes and policies, including its Code of Conduct, the Bank is committed to being transparent in all its actions and activities with respect to public policy. Its employees must adhere to high ethical standards in the course of their activities. The Bank also complies with all applicable legislation governing the disclosure of discussions concerning public policy in all jurisdictions where it does business. Moreover, in accordance with regulatory requirements, it submits a report on its activities to the registers of lobbyists maintained by the competent commissioners in Quebec and Canada.

In addition, under its Anticorruption Policy, the Bank does not allow contributions in its name to federal or provincial political parties or municipal election candidates, or for any political activities outside Canada.

The Bank may share its perspectives on matters affecting its operations through the industry associations it is a member of.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Tax

Tax governance

National Bank’s approach to taxation is consistent with its overall risk appetite framework, which sets a low tolerance for operational and reputational risk and requires rigorous management of regulatory compliance risk. The Bank’s approach is also consistent with and reflects the principles set out in its Code of Conduct. Tax matters are discussed regularly with the Bank’s management and annually with the Bank’s Audit Committee.

The Bank’s approach to taxation includes a commitment to:

- › Comply with tax laws and pay all taxes due in the various jurisdictions where it operates
- › Only engage in tax planning that supports genuine commercial activity, and to not engage in tax planning aimed at achieving a tax result that is contrary to the intentions of legislators in the jurisdictions where it operates
- › Comply with the arm’s length principle and Organisation for Economic Co-operation and Development (OECD) transfer pricing guidelines applicable to intergroup transactions
- › Maintain a transparent and constructive relationship with tax authorities, based on cooperative, supportive and professional interaction

The Bank’s approach also includes the following additional elements:

- › Employing qualified tax professionals, and retaining qualified independent tax professionals where appropriate, to provide advice on interpretation of tax law and compliance and reporting
- › Monitoring domestic, foreign, and international developments (including those of the OECD) as they relate to taxation
- › Periodically reviewing certain aspects of the tax function by the Bank’s Internal Audit and Financial Governance functions, including periodically testing controls related to the tax function’s processes and procedures by Financial Governance to ensure that such processes and procedures are effective in achieving tax integrity and comprehensive tax reporting

In addition, the Bank publishes an annual UK Tax Strategy in relation to its UK branch activities, and has adopted the UK Code of Practice on Taxation for Banks.¹

¹ To the extent required for small banks, as provided in section 285(11) of the *Finance Act 2014*, and the statement published by HM Revenue and Customs (HMRC).

² Includes income taxes, capital taxes and other taxes. For more information, see page 11 of the 2024 Corporate Social Responsibility Statement.

³ Percentage is equal to total taxes paid divided by pre-tax income. The statutory tax rate was 28.0% in 2024 (for more information on income taxes, see Note 26 in the 2024 Annual Report).

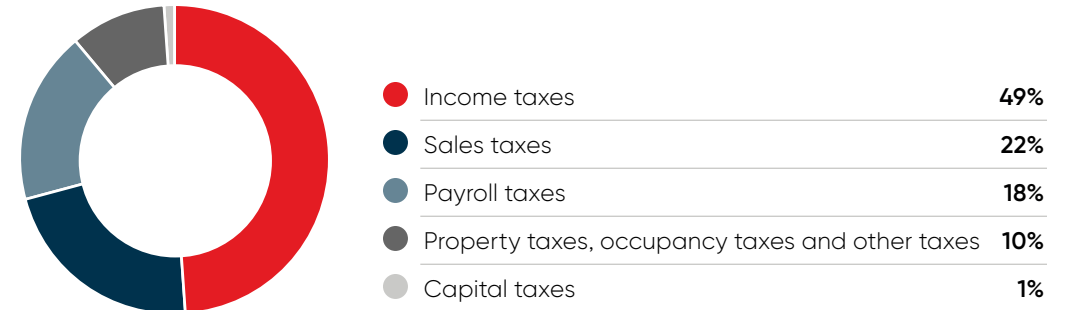
Income tax and other taxes paid or payable

The Bank paid \$1.18 billion in income taxes and other taxes in Canada for the fiscal year ended October 31, 2024 (Table 14). Since Canada is the country where we carried out most of our activities, this is where the majority of our income taxes and other taxes were paid (Figure 9). Since the Bank also ensures that it adheres to the tax laws in every country where it does business, it paid \$0.31 billion in income taxes outside Canada during the fiscal year ended October 31, 2024. For more information, please consult the [2024 Annual Report](#).

Table 14 – Income tax and other taxes paid or payable

Details of tax and other taxes paid or payable	2024	2023	2022
Income taxes and other taxes in Canada ²	\$1.18B	\$1.09B	\$1.37B
Income tax outside of Canada	\$0.31B	\$0.28B	\$0.16B
Total effective tax rate ³	31.8%	30.2%	31.8%

Figure 9 – Distribution of taxes paid or payable in Canada





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- ▼ **GOVERNANCE**
- Corporate Governance
- Corporate Ethics**
- Information Security
- > APPENDICES

Responsible sourcing

As part of its sustainable development activities, the Bank has put in place a responsible sourcing strategy.

In line with the Bank’s ESG principles, our responsible sourcing strategy aims to:

- › Reinforce governance and align it with the responsible sourcing process in partnership with the business sectors in order to gradually integrate ESG criteria
- › Establish an ongoing dialogue with our suppliers to anticipate and resolve issues linked to sustainability and collect reliable, high-quality data on their ESG practices
- › Enhance our partnerships with local, responsible suppliers who represent diversity
- › Work together to transition towards a more sustainable approach by helping to develop a local, circular, socially aware, low-carbon and inclusive economy

In 2024, we pursued our action plan, resulting in the following achievements:

- › Ongoing training and information meetings of the Bank’s network of responsible sourcing ambassadors
- › Progressive integration of responsible purchasing criteria into the Marketing team’s buying categories for promotional items by guiding key stakeholders in the procurement process during contracting and tendering
- › Rollout of a questionnaire to assess the ESG practices of the Bank’s main suppliers (121 suppliers representing 70% of our contractual spend)
- › Training of sourcing advisors, including in the Operations and Information Technology team, as well as members from other business units
- › Upgrade of the sourcing policy to incorporate responsible sourcing concepts

Our goal is to comply with LEED and WELL certification for our new head office. Consequently, more than 80% of furnishings and interior design components were acquired from local suppliers in Quebec or elsewhere in Canada.



Third-party risk management

In accordance with sound, effective third-party risk management practices, the Bank advocates for:

- › Its suppliers to adhere to values similar to those outlined in its [Code of Conduct](#), which have been set out in the [Supplier Code of Conduct](#)
- › A due diligence review of suppliers’ finances and information security standards
- › The use of risk and performance indicators
- › Oversight during contractual relationships with suppliers

The Bank defines its risk appetite through tolerance thresholds, alignment with its business strategy and integration of risk management into its corporate culture. Prior to entering into a relationship with a third party, the business unit, in collaboration with Sourcing and any other relevant sector, assesses the risks by conducting a due diligence audit of the third party. This includes, but is not limited to, an assessment of:

- › The third party’s competencies and financial soundness
- › Information security
- › The agreement’s compliance with the Bank’s regulatory requirements concerning anticorruption and anti-money laundering/anti-terrorist financing
- › Protection of personal information
- › Consumer protection



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Sustainable marketing

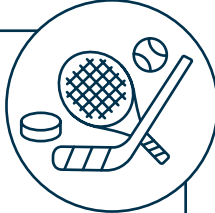
The Bank integrates a number of sustainable development practices into its marketing activities.

In selecting suppliers, we aim to support local and up-and-coming entrepreneurs. In addition, materials used at events are stored for reuse. In 2024, an internal guide was developed to facilitate the organization of events that take into account environmental and social impacts. The Marketing team has completed training sessions on organizing eco-responsible events and sustainable marketing.

We are committed to reflecting the diversity of the communities we serve in our advertising material and in the talent we choose to work with. Approval of advertising content is the result of collaborative work between the Marketing team and internal IDE experts.

As part of its operations, the Bank prioritizes digital platforms over print. For documentation that must be printed, we deal with a local printer that uses 100% Forest Stewardship Council (FSC) certified paper from sustainably managed forests.

The Bank’s external documentation, in the form of brochures and pamphlets, is one of the main channels used to communicate information to clients. In 2024, we continued to review our documentation ecosystem in order to transition to an enhanced digital experience. This initiative helps us more effectively manage the information communicated and reduce the environmental impact related to printing. We have eliminated more than 70 paper documents and discontinued passbook printing. Clients can now obtain their account statements digitally.



The Bank also wants to encourage partnerships with sustainability-minded organizations. For example, Tennis Canada has a sustainable development plan for the National Bank Open.



For their part, the Montreal Canadiens set up the Goal is Green program, which consists of initiatives such as waste sorting and the promotion of urban biodiversity and sustainable public transit. In 2024:

- > The second edition of the Together to Play initiative collected and refurbished hockey equipment and made it available to 250 vulnerable youths.
- > Eurêka elementary school won the second edition of the Cool Your School! contest, which gives Montreal-area schools a chance to green up their schoolyard and benefit from an educational and interactive program on various environmental issues and the actions schools can take to mitigate their impact.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES


Information Security

OUR APPROACH


The Bank makes the necessary investments to protect its clients' data and assets and ensure the sustainability of its operations. The objective behind all of our actions is to maintain our clients', shareholders' and employees' highest level of trust in the integrity, confidentiality and availability of the information entrusted to us.

Strategic planning


Strategic information security planning is an integral part of the Bank's business strategy. It relies on the identification and assessment of information security risk scenarios and is aligned with recognized frameworks such as those established by the National Institute of Standards and Technology (NIST). We continuously assess risks and the Bank's capacity to deal with them, while implementing a culture, processes, technology and monitoring indicators to protect client and employee data, based on three pillars:



1. People: We train our people, an integral part of our defence mechanisms, and instill a culture of safety across the organization. Our efforts also target our clients, to whom we provide advice so that they can proactively prevent and, if necessary, respond to any malicious actions.



2. Processes: We promote collaborative risk reduction processes that are simple and agile, and review them regularly.



3. Technology: We continuously enhance our security by focusing on four cornerstones: identity and access management, monitoring, data protection and asset protection.

Governance

Our information security governance is based on an internal corporate policy established by the Chief Information Security Officer, who reports to the Executive Vice-President Technology and Operations. Our model is supported by clearly defined roles and responsibilities and promotes collaboration among stakeholders. We thoroughly monitor our environment and threats to identify and mitigate risks, reinforce a culture of information security and quickly adapt our processes and capabilities. Our governance model includes quantitative effectiveness reports that enable optimal coverage of identified information security requirements, as well as action plan prioritization to support strategic decisions. The Board's Technology Committee is informed of the level of information security risk on a quarterly basis. We also maintain an independent review structure to optimize our information security risk management framework, which allows us to continually monitor and comply with the regulations applicable to the Bank.

In the event of a cyber attack, the Bank has insurance that protects us financially and technologically. Annual internal and external audits assess the governance, risk management and internal control processes and systems we have put in place to manage the information security risks that the Bank faces.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Internal practices

We integrate information security into our daily actions and practices through the following initiatives:

- > **An information security awareness program for all Bank employees:** This program includes various tools such as training, communications, workshops and phishing tests. It is intended to continuously improve the culture of security at the Bank and develop employees' reflexes in order to effectively protect the organization and our clients' information.
- > **Information security measures defined and applied to all information systems supporting business processes and operational procedures:** These measures ensure that adequate controls are in place, in particular to protect access to confidential information and ensure compliance with configuration, technological change and vulnerability management standards. They are reviewed periodically to ensure they remain relevant to evolving threats.
- > **A structure with information security business partners in each business line, representing the Chief Information Security Officer:** This structure integrates information security across each business unit's culture to effectively manage risks on an ongoing basis.
- > **Tools and environments to guarantee quality delivery:** These enable us to integrate data security measures into projects right from the start and throughout their IT lifecycle, significantly reducing existing risks.

Monitoring and responding to incidents

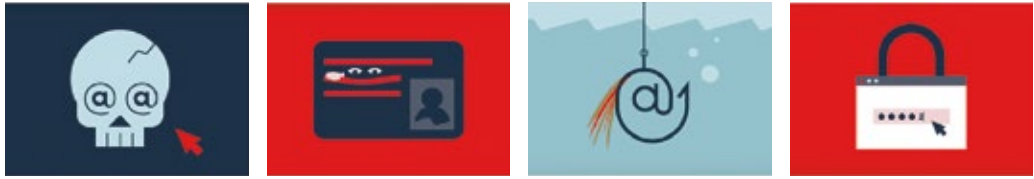
The Bank's information security strategy includes an incident response plan that complies with regulatory requirements. It is tested several times a year, based on real threat scenarios, in collaboration with stakeholders to ensure continuous improvement. Simultaneously:

- > Our operational information security teams proactively conduct intrusion testing to identify potential vulnerabilities. They assess the effectiveness of security controls and support all areas of the organization in managing known vulnerabilities.
- > A case surveillance lifecycle management system is in place to continually improve our detection of potential malicious activities.
- > Our operational teams work with various stakeholders to inform them of current and emerging threats and attack methods, thereby helping to improve response practices to potential incidents.

In the event of a cyber incident, our teams efficiently assess the threat and take the necessary measures to protect the Bank. Our digital survey experts collect, analyze and preserve the evidence with the objective to trace the origin of the attack and identify the person or persons responsible.

2024 highlights

We partnered with several major information security events at which our employees gave presentations. These events included the Magnet Summit, Conf24, Cyber Conference (Cyberco) and FS-ISAC Canada. In addition, funding and collaborative work with university chairs at Polytechnique Montréal and Université de Montréal enable the advancement of research and student development.





- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Data management

Data is central to the Bank’s technological innovation. By leveraging data, we can personalize and enhance our service offering. We are keenly aware of our responsibilities with regard to data, and we strive to balance value creation with sound risk management.

To that end, the Data Office is developing a sustainable strategy focused on data exposure, management and optimization. This strategy is supported by a decision-making structure overseen by the Data Council, a committee composed of a number of executives. It sets strategic directions for data, approves any initiative with a significant impact on the strategy and issues positionings for the Bank.

Our data management is based on the following principles:

- > Continuous improvement of data exposure to the benefit of all parties
- > Enhancing expertise and knowledge to increase the organization’s analytical maturity and data literacy, including through the Data Academy, a Bank initiative that develops educational content
- > Supporting stakeholders in adopting and complying with our good governance practices
- > Implementing standardized practices
- > Sharing expertise in data management, engineering, analysis and science
- > Creating multidisciplinary teams to promote a cultural shift centred on sound data usage
- > Developing the full potential of data talent through the Rotation Program for data scientists and data engineering analysts

Artificial intelligence

For the Bank, using artificial intelligence (AI) and advanced analytics technology is both an opportunity and a responsibility. It is an opportunity in that this technology can be a powerful driver in creating a positive client and employee experience and enhancing our risk management capabilities. In addition, it is our duty to roll out these technologies responsibly and in line with our organizational values, in accordance with our [Code of Conduct](#). The concept of innovating with integrity has been added to our Code to anchor our use of AI.

The Bank is proactively monitoring best practices and any new AI-related legislative requirements. It is evolving its AI practices, risk management measures and governance. For example:

- > We are working on issues of interpretability and equity, including through our Equity by Design program and its AI model risk management framework. This program includes concrete measures applicable to development and oversight teams. Awareness and training activities were also offered throughout the Bank. Performance indicators have also been established to track our equity practices. Specifically, we monitor the Equity Program’s actual adoption rate annually, from the design phase through the analytical solutions released in production.
- > We developed an automated AI-based approach that allows clients to access a larger portion of funds deposited by cheque based on their needs. This initiative provides greater flexibility by eliminating manual tasks so we can better adapt to clients’ realities.
- > We are working to develop a responsible AI framework, which includes implementing governance and risk management measures, AI system documentation and inventory, evolving risk assessment processes, transparency, external communication, third-party management and incident management. These measures are intended to ensure effective governance, increased transparency and timely response to AI incidents.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- Corporate Governance
- Corporate Ethics
- Information Security
- > APPENDICES

Protecting personal information

The Bank takes the necessary measures to protect its clients' personal information and ensures responsible data management practices are applied at all times.

To that end, the Privacy Office designs and implements a privacy governance program and strategy inspired by best practices. This program includes developing and implementing policies and practices for the responsible management of personal information that meet client expectations and comply with applicable legislation, including in terms of transparency and consent. This program also includes privacy risk governance and the adoption of controls to mitigate such risk.



95%

of employees completed the latest annual training on the protection of personal information

In 2024, the Bank pursued initiatives to improve its privacy program and train and raise awareness among various stakeholders. Here are some examples:

- ✔ We updated our privacy program, including internal policies and standards.
- ✔ We rolled out new annual training, completed by 95% of our employees, on the proper use of personal information.
- ✔ We added training on privacy fundamentals to the ongoing training catalogue.
- ✔ We have mandatory privacy training for all new employees.
- ✔ Each year, all employees sign the [Code of Conduct](#), which sets out our obligations regarding confidential information.

➤ To learn more, consult the Privacy Booklet, available in the [Codes and commitments](#) section at [nbc.ca](https://www.nbc.ca).



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES
 - Our Contribution to the SDGs
 - Our SASB Disclosure

APPENDICES



- › Our Contribution to the UN Sustainable Development Goals
- › Our SASB Disclosure



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- > APPENDICES




Our Contribution to the SDGs

Our SASB Disclosure

Our Contribution to the UN Sustainable Development Goals

In 2024, our initiatives and commitments contributed to 12 of the 17 SDGs.

Table 15 – Our contribution to the SDGs







Objective	Our contribution	Reference
1 NO POVERTY 	> Publication of articles on financial literacy on our website	Sustainability Report p. 26
	> Donation of \$4.2 million to United Way, whose goal is to fight poverty and social exclusion, by NBC's employees, retirees and the Bank itself	Sustainability Report p. 55
	> Support for the Lise Watier Foundation's Let's Start Up Pathway, aimed at building women's financial independence	Sustainability Report p. 57
2 ZERO HUNGER 	> Support for La rue des Femmes and Chez Doris to help in the fight against women's homelessness	Sustainability Report p. 57
	> Donation of \$150,000, through the NB Classic hockey tournament, to the Breakfast Club of Canada, which provides nutritious breakfasts to thousands of children	Corporate Social Responsibility Statement p. 8
3 GOOD HEALTH AND WELL-BEING 	> Employee volunteering at MultiCaf, an organization dedicated to fighting food insecurity	Sustainability Report p. 56
	> Donation of \$154,394 to Breakthrough T1D (formerly JDRF) at the Breakthrough T1D Ride	Corporate Social Responsibility Statement p. 8
	> Donation of \$240,000 to various organizations working with young people as part of the NB Grand Tour sports challenge	Corporate Social Responsibility Statement p. 8
	> Donation of \$100,000 under Fondation Aléo's National Bank Bursary Program given to 22 student athletes	Annual Report p. 10
	> An array of benefits and working conditions to promote the physical, mental and financial well-being and work-life balance of the Bank's employees	Sustainability Report p. 46
	> Integration of WELL certification features at the new head office, including a floor dedicated to health and wellness, a childcare centre, a breastfeeding area and a Zen space for meditation, contemplation and relaxation	Sustainability Report p. 46
	> Donation of \$1.7 million to the CHUM Foundation to help develop the centre for therapeutic innovation in psychiatry and associated disorders	Sustainability Report p. 55
> Support for Fitspirit, which encourages teenage girls to be physically active throughout their lives	Sustainability Report p. 57	



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure





Objective	Our contribution	Reference
	› Partnership with the educational programs of JA Quebec, which provide free training on financial literacy, work readiness and entrepreneurship	Sustainability Report p. 34
	› Partnership with Quatre95, which explains personal finance to young adults	Sustainability Report p. 34
	› Partnership with ÉducÉpargne, whose mission is to educate, equip and advise Quebecers on the various aspects of savings	Sustainability Report p. 35
	› Partnership with École de technologie supérieure (ÉTS) and Polytechnique Montréal to encourage people to choose careers in IT	Sustainability Report p. 58
	› In-house representation targets and monitoring of engagement and inclusion indices per segment	Sustainability Report p. 51
	› Partnership with The A Effect since its founding in 2015, its mission being to propel female ambition	Sustainability Report p. 53
	› Support for organizations promoting women’s independence, especially financial independence	Sustainability Report p. 53
	› Support for organizations helping women, including ESPACE GO and the YWCA Montreal	Sustainability Report p. 57
	› Total lending commitment of \$15 billion in renewable energy as at October 31, 2024	Sustainability Report p. 19 Climate Report p. 18
	› New total lending commitment target of \$20 billion in renewable energy by 2030	Sustainability Report p. 22 Climate Report p. 18
	› Support to various cleantech companies	Sustainability Report p. 24 Climate Report p. 16
	› \$175 billion in total financing authorized for businesses of all sizes across Canada	Sustainability Report p. 36
	› Financial support for Accelia Capital, a venture capital fund that invests in innovative companies with high technological potential	Sustainability Report p. 36
	› Support for some 15 incubators and accelerators across Canada	Sustainability Report p. 37
	› Support for training programs specifically designed for entrepreneurs	Sustainability Report p. 37
	› Partnership with Institut de valorisation des données (IVADO) to speed up innovation in the data and digital intelligence fields	Sustainability Report p. 58
	› Head office designed to obtain LEED and WELL certification	Sustainability Report p. 74
	› A sustainable vision for data exposure, management and valorization, based on continuous improvement of data exposure to the benefit of all parties and enhanced expertise and knowledge in this area	Sustainability Report p. 78



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

Objective	Our contribution	Reference
	› Goal is Green program, in collaboration with the Montreal Canadiens, which aims to implement various initiatives with a social or environmental impact, especially in underprivileged communities	Corporate Social Responsibility Statement p. 8 Sustainability Report p. 75
	› Support for Evol, dedicated to developing inclusive entrepreneurship	Sustainability Report p. 36
	› Employee resource groups helping to create inclusive workplaces	Sustainability Report p. 48
	› Collaboration with organizations such as Autisme sans limites and Duo Emploi to help us develop appropriate measures to recruit and support employees with disabilities	Sustainability Report p. 53
	› Commitment to the Partnership Accreditation in Indigenous Relations Program of the Canadian Council for Indigenous Business	Sustainability Report p. 54
	› Donation of \$150,000 to Fondation de l'Université du Québec en Abitibi-Témiscamingue, to support the deployment of a number of initiatives, including the Research Chair in Indigenous Health and Indigenous Perspectives	Sustainability Report p. 55
	› Participation in various other initiatives to actively support women, visible minorities, LGBTQ2+ communities, people with disabilities and Indigenous peoples	Sustainability Report p. 55
	› Publication of a Climate Report based on the recommendations of the TCFD	Climate Report
	› Net-zero target for GHG emissions by 2050, with interim targets for the high-emitting sectors	Climate Report p. 9 Sustainability Report p. 16
	› Commitment to protect the Arctic and position on thermal coal	Climate Report p. 10 Sustainability Report p. 11
	› Support for the development of the renewable energy sector	Climate Report p. 18 Sustainability Report p. 22
	› ESG responsibilities integrated into the mandate of the Board and all of its committees	Sustainability Report p. 66
	› Anticorruption program, presenting the Bank's commitment to act responsibly	Sustainability Report p. 71
	› Anti-money laundering and anti-terrorist financing program designed to prevent the use of the Bank's products and services for money laundering and terrorist financing	Sustainability Report p. 71
	› Participation in Financial Literacy Month in partnership with the Financial Consumer Agency of Canada (FCAC) and other financial institutions to raise public awareness of the importance of better understanding notions of personal finance to make informed decisions	Sustainability Report p. 35
	› The Bank's continued involvement in national and international initiatives	Sustainability Report p. 12 Climate Report p. 20
	› Collaboration with Circular Economy Leadership Canada (CELC) in publishing a new taxonomic guide for the circular economy	Climate Report p. 19



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

Our SASB Disclosure

Table 16 – Financial sector – Commercial banking

SASB standard	Accounting metric	2024 disclosure
CB-230a.1	1) Number of data breaches, 2) percentage involving personally identifiable information (PII), 3) number of account holders affected	The Bank does not disclose this information. Please refer to the Privacy Booklet in the Codes and commitments section at nbc.ca . Please refer to the Top and Emerging Risks section on page 70 of the Annual Report .
CB-230a.2	Description of approach to identifying and addressing data security risks	Please refer to the Information Security section on page 76 of this report and the Top and Emerging Risks section on page 70 of the Annual Report .
CB-240a.1	1) Number and 2) amount of loans outstanding qualified to programs designed to promote small business and community development	Please refer to page 10 of the Corporate Social Responsibility Statement in the Commitments and impact section at nbc.ca as well as the Community section on page 55 of this report.
CB-240a.3	Number of no-cost retail chequing accounts provided to previously unbanked or underbanked customers	As at October 31, 2024, the Bank had 215,474 chequing accounts with no fixed monthly fees ¹ in Canada (no minimum balance). Please refer to the Promoting financial health, inclusion and access section on page 32 of this report.
CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked or underserved customers	The Bank does not disclose this information. Please refer to the Promoting financial health, inclusion and access section on page 32 of this report.
CB-410a.1	Commercial and industrial credit exposure, by industry	The Bank discloses its exposure to credit risk by industry on page 25 of the Q4 2024 Supplementary Regulatory Capital and Pillar 3 Disclosure at nbc.ca .
CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	In accordance with the TCFD recommendations, we're continuing to optimize our processes for integrating ESG factors into our credit analyses. Our Climate Report is available in the Commitments and impact section at nbc.ca . Please refer to the Environmental and social risk management section on page 68 of this report.

¹ No-fee chequing accounts are defined as bank accounts that provide basic services with no additional fees, no monthly or annual maintenance fees and no minimum balance requirements.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

SASB standard	Accounting metric	2024 disclosure
CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or other related financial industry laws or regulations	<p>The Bank does not disclose this information.</p> <p>In the normal course of business, the Bank and its subsidiaries are involved in various claims relating, among other matters, to loan portfolios, investment portfolios and supplier agreements, including court proceedings, investigations or claims of a regulatory nature, class actions or other various types of legal remedies. However, the Bank does not believe that any proceedings it is involved in could have a material negative impact on its consolidated financial position.</p> <p>Please refer to Note 28 (Guarantees, Commitments and Contingent Liabilities) on page 224 of the Annual Report.</p>
CB-510a.2	Description of whistleblower policies and procedures	Please refer to the Code of Conduct section on page 70 of this report.
CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Although the Bank is a domestic systemically important bank (D-SIB), it is not a G-SIB. We therefore don't have a G-SIB score.
CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy and other business activities	<p>The crisis simulation program supports the management decision-making process by identifying potential vulnerabilities for the Bank as a whole, which are reflected in the limits established and in longer-term business planning.</p> <p>Scenarios and results are reviewed by the Board or its committees. The Bank also performs stress testing and crisis simulations in certain sectors of activity and key portfolios.</p> <p>These tests and simulations primarily cover credit, market and liquidity risk and capital. Please refer to pages 55, 66, 83, 93, 94 and 97 of the Annual Report.</p>
CB-000.A	1) Number and 2) value of chequing and savings accounts by segment: a) personal and b) small business	The Bank had an average volume ¹ of \$41,994 million for its Personal segment and \$49,712 million for its Commercial segment in Q4 2024. Please refer to the Q4 2024 Investor Presentation at nbc.ca .
CB-000.B	1) Number and 2) value of loans by segment: a) personal, b) small business, and c) corporate	<p>In Q4 2024, the Bank had an average volume¹ of \$96,621 million in personal loans and bankers' acceptances² and \$61,944 million in business loans and bankers' acceptances. Please refer to the Q4 2024 Investor Presentation at nbc.ca.</p> <p>The Bank discloses the amount approved to businesses across Canada as debt financing and the number of businesses to which debt financing was granted. Please refer to page 10 of the Corporate Social Responsibility Statement in the Commitments and impact section at nbc.ca.</p> <p>The Bank also discloses its average loans and acceptances for corporate banking on page 8 of the Q4 2024 Supplementary Financial Information at nbc.ca.</p>

1 Average volume represents the average of the daily balances for the fiscal year.
 2 Loans and acceptances represent the total balance of loans and clients' liabilities under acceptances.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

Table 17 – Financial sector – Consumer finance

SASB standard	Accounting metric	2024 disclosure
CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Please refer to the answer for standard CB-510a.1 .
CF-230a.1	1) Number of data breaches, 2) percentage involving personally identifiable information (PII), 3) number of account holders affected	The Bank does not disclose this information. Please refer to the Privacy Booklet in the Codes and commitments section at nbc.ca . Please refer to the Top and Emerging Risks section on page 70 of the Annual Report .
CF-230a.3	Description of approach to identifying and addressing data security risks	Please refer to the answer for standard CB-230a.2 .
CF-270a.2	Approval rate for 1) credit and 2) pre-paid products for applicants with FICO scores above and below 660	The Bank does not disclose this information. It provides the average value, loan-to-value ratio ¹ and average credit score for its portfolio of Canadian mortgage loans and home equity lines of credit on page 18 of the Q4 2024 Investor Presentation at nbc.ca . Moreover, additional information on the credit quality of our loan portfolio can be found on pages 76 and 77 and in the Credit Quality of Loans section of Note 8 starting on page 180 of the Annual Report .
CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Please refer to the answer for standard CB-510a.1 .

¹ The loan-to-value ratio is calculated based on the total facility amount for residential mortgages and home equity lines of credit divided by the value of the related residential property.



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

Table 18 – Financial sector – Mortgage financing

SASB standard	Accounting metric	2024 disclosure
MF-270a.3	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	Please refer to the answer for standard CB-510a.1 .
MF-270b.1	1) Number, 2) value and 3) weighted average loan-to-value ratio of mortgages issued to a) minority and b) all borrowers, by FICO scores above and below 660	The Bank does not disclose this information. It provides the average value, loan-to-value ratio and average credit score for its portfolio of Canadian mortgage loans and home equity lines of credit on page 18 of the Q4 2024 Investor Presentation at nbc.ca . For more information on our portfolio of residential mortgage loans, please refer to page 24 of the Q4 2024 Supplementary Financial Information at nbc.ca .
MF-270b.3	Description of policies and procedures for ensuring non-discriminatory mortgage origination	The Bank complies with all anti-discrimination laws and regulations. In addition, the Bank's Code of Conduct applies to everyone at the Bank (employees, directors and officers). The Code of Conduct establishes a zero-tolerance policy for any type of discrimination.
MF-000.A	1) Number and 2) value of mortgages originated by category: a) residential and b) commercial	The Bank discloses the value of its commercial and residential mortgages and the value of loans by category on page 30 of the Q4 2024 Investor Presentation at nbc.ca . For more information on our portfolio of residential mortgage loans, please refer to page 24 of the Q4 2024 Supplementary Financial Information at nbc.ca .
MF-000.B	1) Number and 2) value of mortgages purchased by category: a) residential and b) commercial	Please refer to page 24 of the Q4 2024 Supplementary Financial Information at nbc.ca .



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

Table 19 – Financial sector – Investment banking and brokerage

SASB standard	Accounting metric	2024 disclosure
IB-330a.1	Percentage of gender and racial/ethnic group representation for 1) executive management, 2) non-executive management, 3) professionals, and 4) all other employees	Please refer to the Inclusion, diversity and equity section on page 48 of this report.
IB-410a.2	1) Number and 2) total value of investments and loans incorporating integration of ESG factors, by industry	Please refer to the Supporting Clients in Their Transition section on page 18 of this report as well as the Capital and debt section at nbc.ca .
IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Please refer to the answer for standard CB-510a.1 .
IB-510a.2	Description of whistleblower policies and procedures	Please refer to the answer for standard CB-510a.2 .
IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	Please refer to the answer for standard CB-510a.1 .
IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	Every year, all employees, directors and officers of the Bank sign the Code of Conduct , which requires them to demonstrate honesty, trust, integrity and loyalty in all of their actions.
IB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Please refer to the answer for standard CB-550a.1 .
IB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy and other business activities	Please refer to the answer for standard CB-550a.2 .



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

Table 20 – Financial sector – Asset management and custody activities

SASB standard	Accounting metric	2024 disclosure
AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers	Please refer to the answer for standard CB-510a.1 .
AC-270a.3	Description of approach to informing customers about products and services	Employees of the Bank are bound by the principles of client protection set out on page 10 of the Code of Conduct . Please refer to Provide clients with information and advice on our products and services on page 26 of this report. The Bank also adheres to regulations that apply to all of its operations, including consumer protection regulations that require us to be transparent with our clients. The Human Resources Committee reviewed the Bank’s compensation practices in 2021 and continues to do so periodically.
AC-330a.1	Percentage of gender and racial/ethnic group representation for 1) executive management, 2) non-executive management, 3) professionals, and 4) all other employees	Please refer to the answer for standard IB-330a.1 .
AC-410a.1	Amount of assets under management, by asset class, that employ 1) integration of environmental, social, and governance (ESG) issues, 2) sustainable investing, and 3) screening	As at October 31, 2024, 98% of NBI’s assets under management were managed by signatories of the UN Principles for Responsible Investment. NBI assesses its external managers’ integration of ESG criteria as part of its proprietary OP4+ analysis framework. The amount of assets under management in sustainable investing solutions is in NBI’s Report on Responsible Investment Advances in the Responsible investment section at nbinvestments.ca . To learn more about NBI’s exclusions, refer to the Simplified Prospectus section at nbinvestments.ca .
AC-410a.2	Description of approach to incorporation of (ESG) factors in investment and/or wealth management processes and strategies	NBI assesses its external managers’ integration of ESG criteria as part of its proprietary OP4+ analysis framework. Please refer to NBI’s Responsible Investment Policy in the Responsible investment section at nbinvestments.ca .
AC-410a.3	Description of proxy voting and investee engagement policies and procedures	Please refer to the Proxy voting policies and records section at nbinvestments.ca .



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- ✓ APPENDICES

Our Contribution to the SDGs

Our SASB Disclosure

SASB standard	Accounting metric	2024 disclosure
AC-510a.1	Total amount of monetary losses resulting from legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or other related financial industry laws or regulations	Please refer to the answer for standard CB-510a.1 .
AC-510a.2	Description of whistleblower policies and procedures	Please refer to the answer for standard CB-510a.2 .
AC-000.A	1) Total registered and 2) total unregistered assets under management (AUM)	In Q4 2024, the Bank had \$155,9 billion in assets under management and under administration. Please refer to page 7 of the Q4 2024 Supplementary Financial Information at nbc.ca .



- > INTRODUCTION
- > ENVIRONMENT
- > SOCIAL
- > GOVERNANCE
- > APPENDICES

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