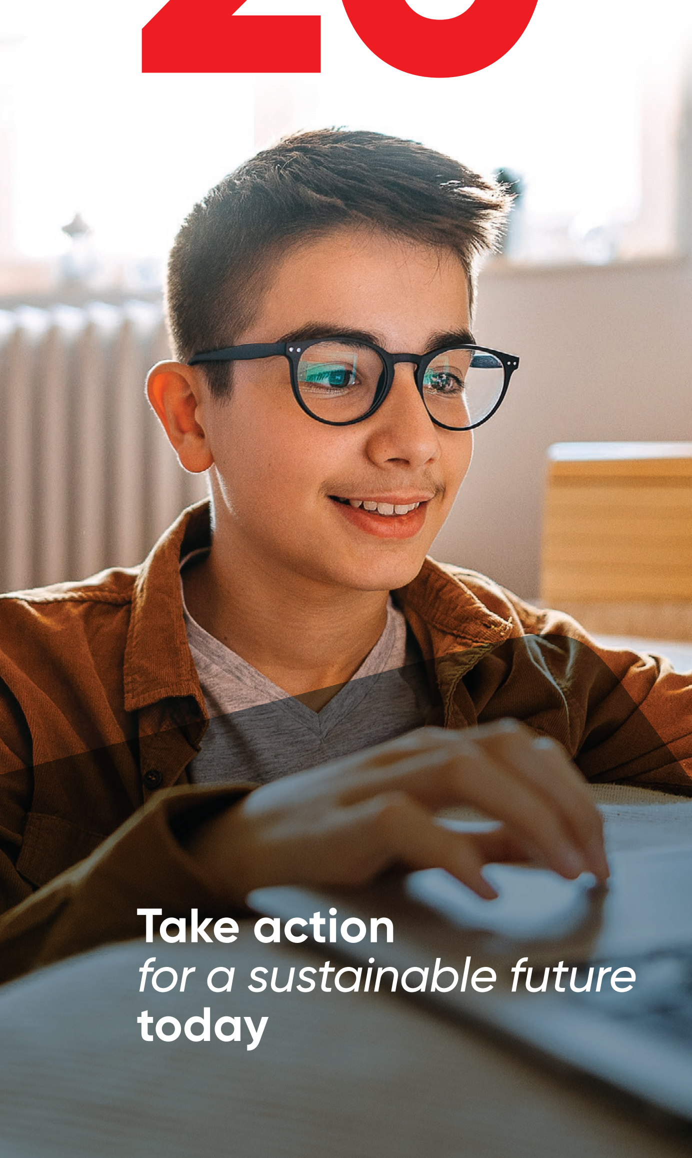
NATIONAL BANK

Corporate Social Responsibility Statement

2020



Take action
for a sustainable future
today

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About us

Founded in 1859, National Bank of Canada offers financial services to individuals, businesses, institutional clients and governments across Canada. We're one of the six systemically important banks in Canada.

We carry out our activities in three sectors in Canada: Personal and Commercial Banking, Wealth Management and Financial Markets. A fourth sector, U.S. Specialty Finance and International, rounds out our domestic activities.

We're a top banking institution in Quebec, as well as a leader in targeted activities Canada-wide. Our head office is in Montreal and our securities are listed on the Toronto Stock Exchange (TSX: NA).

National Bank at a glance

(as at October 31, 2020)

26,517[1]
Employees

483[2]
Branches

1,573[3]
ABMs

$332 billion
Total assets

$597 billion
Assets under management and administration

$21.5 billion
Stock market capitalization

1 Worldwide
2 403 in Canada, 77 in Cambodia and 3 in the United States (Florida)
3 940 in Canada and 633 in Cambodia

Serving our clients better

At National Bank, our clients are at the heart of our activities. To better meet their needs, we're continuously improving our work methods, our products and services and our facilities.

Promoting accessibility

Once again this year, we've undertaken a number of initiatives to simplify access to our facilities and banking services.

Physical network

National 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:

- We've opened, renovated or relocated some 20 branches to offer modern, technologically enhanced spaces that comply with sustainable development and universal accessibility standards.
- We've gradually updated our bank branches to meet new inclusivity and 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.

Financial services

Other measures help us improve access to financial services and meet the specific needs of some client segments. For example:

- Bank accounts offered without fees to certain client segments identified by the Government of Canada as financially vulnerable (seniors,[1] persons who have been determined to be disabled,[2] children, full-time students), if linked to a specific package.
- Monthly discount on most banking packages offered to certain client segments such as people under age 18, full-time students aged 18 to 24 and people aged 60 or older.
- Series of measures to financially accommodate clients affected by the COVID-19 pandemic or by flooding in the Fort McMurray region.

Supporting small business financing

During the past fiscal year, the Bank launched new initiatives to enhance its financing offer for small businesses. For example:

- Partnership with the *Parcours Développement durable Montréal*. The *Parcours* was launched by the Ville de Montréal, Ellio and the *Conseil des industries durables*. It aims to support 20 Montreal SMEs every year in addressing sustainable development challenges and implementing innovative solutions.
- Support offered to a dozen incubators and accelerators, including two new ones in 2020 (Zù and *La Piscine*). The Bank also partnered with the Défi Start-up from *Les Affaires* and the Startupfest. These two events give start-ups a chance to network and obtain financing.
- Continuation of the Lise Watier Foundation's Let's Start Up program for women who need support. Powered by National Bank, this program helps participants attain financial independence by giving them access to microloans to support their business projects.
- Black Entrepreneurship Program in development, announced together with several other financial institutions and the Government of Canada. This program is intended to offer financial support, in the form of loans, to black business owners and entrepreneurs. It aims to contribute to their success and to economic recovery following the pandemic.

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 over, upon presentation of proof of eligibility.

Encouraging community development

A leading player in the economy of Quebec and Canada since 1859, National Bank is committed to promoting the well-being of the communities it serves.

It achieves this goal through a well-defined donations and sponsorships program, the commitment of employees and retirees who volunteer in their communities and successful fundraising efforts with our clients' participation.

In 2020, the Bank gave tens of millions of dollars back to the community. It made over $14 million in institutional donations, including over $2.5 million in special donations to help organizations across the country in their mission to support communities hard hit by the impact of the COVID-19 pandemic.

Some of our donations

› ARTS AND CULTURE

Fondation du Théâtre du Nouveau Monde (Montreal, Quebec, 2020-2024)

Supporting efforts to revitalize this theatre.

$125,000

› COMMUNITY

United Way Centraide Canada (Canada, 2020)

Contributing to the COVID-19 Emergency Fund to help vulnerable communities affected by the pandemic.

$500,000

› EDUCATION

Université de Moncton (Edmundston, Moncton and Shippagan, New Brunswick, 2020-2026)

Promoting the next generation of entrepreneurs by creating the National Bank *Programme de relève innovante et performante en PME*.

$350,000

› HEALTH

Cedars Cancer Foundation at the McGill University Health Centre (Montreal, Quebec, 2020-2029)

Promoting access to specialized oncology care and supporting cutting-edge research in the field.

$1,000,000

Employees and retirees dedicated to their community

Thousands of National Bank employees and retirees are committed to having a positive impact on the community, and the Bank fully supports them. In 2020, the Bank's Volunteer Program donated $10 for each hour of volunteer work logged by employees, for a maximum of $400 annually per employee. Each organization can receive up to 4 employee donations, for a maximum of $1,600. A total of 27,287 volunteer hours were logged.

Some of our sponsorships

In 2020, many events across Canada were cancelled as a result of the pandemic. However, National Bank continued to support its partners throughout the year, turning some of its sponsorship activities into virtual experiences. For example:

- **The Papier Contemporary Art Fair**
  (Quebec; 2020)
  This annual fair became a virtual event, with 44 art galleries displaying works from numerous contemporary artists from across Canada.

- **Illumi – A dazzling world of lights by Cavalia**
  (Laval, Quebec; 2020)
  The Bank offered visitors a fun and engaging experience, where they could replicate light sequences shown on giant spheres using their mobile devices.

A few examples of our community engagement

- **United Way Centraide campaign**
  (Canada; 2020)
  The amount includes funds collected from thousands of Bank employees and retirees across Canada, plus a corporate donation. This Canada-wide campaign has been held annually since 1977.
  $3,600,000

- **JDRF**
  (Canada; 2020)
  Since 2004, hundreds of National Bank employees across Canada have participated in the Ride to Defeat Diabetes. The event was held virtually in 2020.
  $131,182

- **Fondation Martin-Matte**
  (Quebec; 2020)
  In February 2020, employees and partners of National Bank participated in the 5th edition of *Les beaux 4h* to benefit the Fondation Martin-Matte. This organization supports Quebecers living with a head injury.
  $90,000

Geographic breakdown of employees (as at October 31, 2020)

Province	Full-time	Part-time	Total
Alberta	320	23	343
British Columbia	286	20	306
Prince Edward Island	14	5	19
Manitoba	73	10	83
New Brunswick	186	74	260
Nova Scotia	33	0	33
Ontario	1,843	254	2,097
Quebec	14,115	2,518	16,633
Saskatchewan	42	6	48
Newfoundland and Labrador	–	–	–
Yukon, Northwest Territories and Nunavut	–	–	–
Total Canada	**16,912**	**2,910**	**19,822**
Outside Canada	6,689	6	6,695
Total	**23,601**	**2,916**	**26,517**

Income taxes and other taxes paid or payable in Canada (in thousands of dollars; as at October 31, 2020)

	Income taxes [1]	Capital taxes [1]	Other taxes [2]
Federal	**271,164**	–	**92,038**
Provincial			
Alberta	3,364	–	2,016
British Columbia	3,841	–	3,396
Prince Edward Island	83	151	291
Manitoba	771	959	931
New Brunswick	1,495	2,951	4,123
Nova Scotia	449	–	490
Ontario	29,693	–	42,470
Quebec	112,932	4,667	327,766
Saskatchewan	536	1,743	521
Newfoundland and Labrador	6	–	105
Yukon, Northwest Territories and Nunavut	–	–	–
Total – Provincial	**153,170**	**10,471**	**382,108**
Total – Federal and Provincial	**424,334**	**10,471**	**474,146**

1 Income taxes and capital taxes: Estimated amounts.
2 Other taxes: Amount including employee benefits (employer's contribution including amounts paid to the Canada Pension Plan, Employment Insurance and provincial health insurance plans), business taxes, property taxes, sales taxes (including GST/HST and estimated provincial sales tax) and deposit insurance premiums.

Our total contribution:

$909 million
paid in income taxes and other taxes

Debt financing made available to companies in Canada (in thousands of dollars)

In 2020, National Bank approved more than $110 billion in debt financing to businesses across Canada.

	$0 to $24.9	$25.0 to $99.9	$100.0 to $249.9	$250.0 to $499.9	$500.0 to $999.9	$1,000.0 to $4,999.9	$5,000.0 or more	Total
Alberta								
Total authorized ($)	2,357.0	5,345.0	10,698.8	15,072.8	22,458.2	234,089.0	13,526,210.2	13,816,231.0
Number of clients	242	110	70	41	32	91	204	790
British Columbia								
Total authorized ($)	1,384.3	3,682.5	4,145.6	9,273.6	25,305.5	243,086.5	4,697,930.7	4,984,808.7
Number of clients	156	78	31	27	37	95	125	549
Prince Edward Island								
Total authorized ($)	420.5	b	c	d	e	f	g	420.5
Number of clients	54	b	c	d	e	f	g	54
Manitoba								
Total authorized ($)	602.0	1,488.0	3,307.5	7,528.4	30,901.9	190,551.7	1,358,890.3	1,593,269.8
Number of clients	58	36	19	20	45	75	36	289
New Brunswick								
Total authorized ($)	8,854.5	24,709.2	32,458.2	44,423.5	72,835.7	365,023.1	918,930.2	1,467,234.4
Number of clients	959	487	209	125	104	166	60	2,110
Nova Scotia								
Total authorized ($)	155.4	b	c	d	e	f	808,817.5	808,972.9
Number of clients	17	b	c	d	e	f	18	35
Ontario								
Total authorized ($)	25,737.3	45,040.5	61,271.3	104,841.3	208,833.8	1,483,989.1	28,883,330.7	30,813,044.2
044,2Number of clients	2,884	940	407	295	299	619	526	5,970
Quebec								
Total authorized ($)	313,583.5	671,038.8	897,372.5	1,307,757.5	2,260,999.0	9,807,894.5	40,960,658.7	56,219,304.4
Number of clients	37,097	13,850	5,868	3,673	3,237	4,556	1,371	69,652
Saskatchewan								
Total authorized ($)	499.7	1,673.6	2,724.7	5,918.5	10,159.5	117,870.6	359,533.3	498,379.9
Number of clients	48	34	17	18	15	52	22	206
Newfoundland and Labrador								
Total authorized ($)	a	b	c	d	—	f	g	0
Number of clients	a	b	c	d	—	f	g	0
Yukon, Northwest Territories and Nunavut								
Total authorized ($)	a	b	—	d	—	—	—	0
Number of clients	a	b	—	d	—	—	—	0
Grand total								
Total authorized ($)	**353,594.3**	**752,977.7**	**1,011,978.6**	**1,494,815.6**	**2,631,493.6**	**12,442,504.6**	**91,514,301.6**	**110,201,665.9**
Total clients	**41,515**	**15,535**	**6,621**	**4,199**	**3,769**	**5,654**	**2,362**	**79,655**

Note: To preserve client confidentiality, certain figures have been combined as follows:
a - The figures for Newfoundland and Labrador, Yukon, the Northwest Territories and Nunavut have been added to the figures for British Columbia and to that province's total.
b - The figures for Prince Edward Island, Nova Scotia and Newfoundland and Labrador have been added to the figures for New Brunswick and to that province's total.
c - The figures for Prince Edward Island, Nova Scotia and Newfoundland and Labrador have been added to the figures for New Brunswick and to that province's total.
d - The figures for Prince Edward Island, Nova Scotia, Newfoundland and Labrador, and Yukon, the Northwest Territories and Nunavut have been added to the figures for New Brunswick and to that province's total.
e - The figures for Prince Edward Island, Nova Scotia and Saskatchewan have been added to the figures for New Brunswick and to that province's total.
f - The figures for Prince Edward Island, Nova Scotia and Newfoundland and Labrador have been added to the figures for New Brunswick and to that province's total.
g - The figures for Prince Edward Island, Nova Scotia, Newfoundland and Labrador, and Yukon, the Northwest Territories and Nunavut have been added to the figures for New Brunswick and to that province's total.
The figures shown have been rounded to one decimal point.

Subsidiaries* of National Bank (as at October 31, 2020)

List of subsidiaries covered under the Public Accountability Statements Regulations and the Finance Entity Regulations.

National Bank Life Insurance Company
- National Bank Insurance Firm Inc.
- National Bank Planning and Benefits Inc.

National Bank Investments Inc.

National Bank Financial Inc.
- NBF Financial Services Inc.
- NBF Financial Services Ltd.

Natcan Trust Company

National Bank Trust Inc.

Branches** closed and opened (during the fiscal year ended October 31, 2020)

Please note that some branches have been closed temporarily due to the COVID-19 pandemic.
This list includes branches closed and opened as at October 31, 2020.

Branches closed

British Columbia

1632 Dickson Avenue, Suite 500, Kelowna
3100 30th Avenue, Suite 101, Vernon

Ontario

130 King St. West, Suite 660, Toronto

Quebec

100 rue Saint-Jacques Ouest, Princeville
6169 rue Principale, Sainte-Croix
224 rue Notre-Dame, Saint-Pie
5281 Jean-Talon St. East, Montreal
468 Main St., Hudson
83 rue Saint-Jacques, Saint-Jacques
4390 De La Concorde Blvd. East, Laval
5800 Des Laurentides Blvd., Laval
1510 18e Rue, Quebec City
273 rue Notre-Dame, Saint-Germain-de-Grantham
185 Dorval Ave., Dorval
215 1re Avenue Ouest, Portneuf
624 Route 201, Saint-Clet
1140 Sherbrooke St. West, Montreal
218 Curé-Labelle Blvd., Rosemère
6100 Ave. Du Boisé, Montreal
1 Place Laval, Laval
5100 Beaubien St. East, Montreal
428 Saint-Joseph Blvd., Gatineau
9700 4e Rue, Montreal
11485 1re Avenue, Saint-Georges
3918 Saint-Charles Blvd., Pierrefonds
6010 Jean-Talon St. East, Montreal
1142 rue Principale, Saint-Agapit
325 rue de l'Église, Donnacona
602 Ave. De Grand-Mère, Shawinigan
11505 1re Avenue, Suite 100, Saint-Georges

Branches opened

Alberta

505 1st Street S.-E., Suite 102, Medicine Hat

British Columbia

1455 Bellevue Ave., West Vancouver
1631 Dickson Ave., Suite 1710, Landmark 6, Kelowna

Ontario

121 King St. West, Toronto

Quebec

12451 Rodolphe-Forger Blvd., Montreal
11333 1re Avenue, Saint-Georges
3778 Saint-Charles Blvd., Kirkland
5705 Jean-Talon St. East, Montreal
426 Route 273, Saint-Apollinaire
499 Route 138, Donnacona
550 Ave. De La Station, Suite 200, Shawinigan
11333 1re Avenue, Suite 200, Saint-Georges

Branch closed temporarily

Quebec

2303 Beaubien St. East, Montreal (major renovation)

* The term subsidiary denotes an entity of the National Bank group.
** The term branch is used as defined in the Public Accountability Statements Regulations.

ABMs removed and added (during the fiscal year ended October 31, 2020)

Please note that some ABMS are temporarily inaccessible due to the COVID-19 pandemic.
This list includes ABMs removed and added as at October 31, 2020.

ABMs removed

British Columbia

2121 160th Street, Surrey

Ontario

25 Manitoba Street, Bracebridge

Quebec

3501 Saint-Hubert St., Montreal
1455 De Maisonneuve West, Montreal
1400 De Maisonneuve West, Montreal
1515 Sainte-Catherine St. West, Montreal
1450 Guy St., Montreal
7141 Sherbrooke St. West, Montreal
7200 Sherbrooke St. West, Montreal
5281 Jean-Talon St. East, Montreal
237 Saint-Jean-Baptiste Blvd., Châteauguay
1140 Sherbrooke Street West, Montreal (2 ABMs)
655 Route Marie-Victorin, Sorel-Tracy
5100 Beaubien St. East, Montreal
428 Saint-Joseph Blvd., Gatineau
1 Place Laval, Laval
693 6th Avenue, Lachine
9700 4e Rue, Rivière-des-Prairies, Montreal (2 ABMs)
11485 1re Avenue, Saint-Georges (2 ABMs)
3918 Saint-Charles Blvd., Pierrefonds (2 ABMs)
325 Rue de l'Église, Donnacona

6010 Jean-Talon St. East, Montreal (2 ABMs)

ABMs added

Ontario

121 King St. West, Toronto
3100 Winston Churchill Blvd., Mississauga

Quebec

12451 Rodolphe-Forget Blvd., Montreal (2 ABMs)
11333 1re Avenue, Saint-Georges (2 ABMs)
3778 Saint-Charles Blvd., Kirkland (2 ABMs)
499 Route 138, Donnacona
499 Route 138, Donnacona
5705 Jean-Talon St. East, Montreal (2 ABMs)
5705 Jean-Talon St. East, Montreal
1356 Monseigneur-Langlois Blvd., Salaberry-de-Valleyfield
337 Boul. Lasalle, Baie-Comeau
560 Rue Sacré-Coeur Ouest, Alma
214 Boul. René-A. Robert, Sainte-Thérèse
426 Route 273, Saint-Apollinaire
625 1re Rue, La Pocatière
2155 Beaubien St. East, Montreal
3560 Rue Laval, Lac-Mégantic
5498 Henri-Bourassa Blvd. East, Montreal

ABMs removed temporarily

Quebec

2303 Beaubien St. East, Montreal (2 ABMs)

The Corporate Social Responsibility Statement issued by National Bank of Canada is specifically intended to meet the requirements of the Public Accountability Statements Regulations adopted by the federal government (*Bank Act*). A report on National Bank's environmental, social and governance (ESG) advances will also be produced. This document will be made public in the coming months and will be available on the Bank's website at nbc.ca.

The Corporate Social Responsibility Statement complements National Bank's Annual Report and Management Proxy Circular. Unless otherwise indicated, the information presented refers to fiscal 2020 (November 1, 2019, to October 31, 2020) and is released after the annual statement for fiscal 2019, published in March 2020.

The Corporate Social Responsibility Statement is drawn up by a team reporting to the Vice President of Communication and Corporate Social Responsibility, with input from dozens of experts, then revised and approved by executives from many different sectors of the organization.

The document may be consulted in its entirety on National Bank's website (nbc.ca/socialresponsibility). It can also be obtained by visiting any National Bank branch or by calling 1-888-835-6281 or 514-394-5555.

Également disponible en français.

Comments regarding this document may be submitted to our Public Affairs Department by email at pa@nbc.ca or via our social media platforms.

Social networks

In order to promote discussion, the Bank communicates on a daily basis with its clients and various communities of interest online.

nbc.ca/socialnetworks

1st quarter 2021

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