

Inclusion and Diversity Booklet

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Take action for a more
inclusive future today



Caution regarding forward-looking statements

Certain statements made in this booklet are forward-looking statements. All such statements are made in accordance with applicable securities legislation in Canada and the United States. Forward-looking statements in this document may include, but are not limited to, statements with respect to the Bank's objectives, priorities, strategies, inclusion and diversity commitments and targets or actions that will be taken to achieve them (including with respect to hiring practices and employment programs and strategies), the regulatory environment in which it operates, the potential impacts of—and the Bank's response to—the COVID-19 pandemic, and certain risks it faces. These forward-looking statements are typically identified by future or conditional verbs or words such as "outlook," "believe," "foresee," "forecast," "anticipate," "estimate," "project," "expect," "intend" and "plan," and similar terms and expressions of future or conditional verbs such as "will," "may," "should," "could" or "would." Such forward-looking statements are made for the purpose of assisting the holders of the Bank's securities in understanding the Bank's vision, strategy, targets and objectives related to inclusion and diversity and may not be appropriate for other purposes. These forward-looking statements are based on our current expectations, estimates and intentions and are subject to inherent risks and uncertainties, many of which are beyond the Bank's control.

Our ability to achieve our inclusion and diversity objectives, priorities and targets is based on a number of assumptions and is subject to a number of factors, including, among others, the general economic environment and financial market conditions in Canada, the United States and other countries where the Bank operates; changes made to regulations that affect the Bank's business; geopolitical and sociopolitical uncertainty; the Bank's ability to satisfy stakeholder expectations on environmental and social issues; the Bank's ability to achieve its long-term strategies and key short-term priorities; the Bank's ability to recruit and retain key personnel in a competitive environment for talent; and possible impacts of major events affecting the local and global economies, including international conflicts, natural disasters and public health crises such as the COVID-19 pandemic.

There is a strong possibility that the Bank's express or implied predictions, targets, 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 may not be achieved. The Bank recommends that readers not place undue reliance on forward-looking statements, as a number of factors could cause actual results to differ significantly from the expectations, estimates or intentions expressed in these forward-looking statements. These risk factors include credit risk, market risk, liquidity and funding risk, operational risk, regulatory compliance risk, reputation risk, strategic risk, environmental and social risk and certain emerging risks or risks deemed significant, all of which are described in greater detail in the "Risk Management" section beginning on page 69 of the Bank's *2021 Annual Report*.

The foregoing list of risk factors is not exhaustive. Additional information about these risk factors is provided in the "Risk Management" section and in the "COVID-19 Pandemic" section of the Bank's *2021 Annual Report* and may be updated in the quarterly shareholders' reports subsequently published. Investors and others who rely on the Bank's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risks 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. We caution investors that such 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.

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Take Action for a More Inclusive Future Today

A word from our President and Chief Executive Officer



Once again, this past year has been filled with dialogue, learning and progress in terms of inclusion and diversity at National Bank.

Through our dynamic internal networks and our day-to-day conversations with employees, clients and the communities we serve, we're committed to ensuring everyone has a fair opportunity at the Bank and in society at large.

To advance in this direction, we're focusing our approach and our actions on fostering inclusion and creating an environment that values and promotes each person's unique characteristics, both visible and invisible. Our employees are more committed than ever to making a difference for our clients and society. By promoting a feeling of belonging, we can directly support this ambition, contribute to employee well-being and productivity and be a key player in society.

Over the course of the year, we've redoubled our efforts to encourage employees to voluntarily self-identify. This allows us to access much more data on our workforce, better prioritize our actions and hold more productive discussions. We've made special efforts to increase the representation of women, persons with disabilities and Indigenous Peoples in our workforce, giving them the opportunity to showcase their talents. This booklet presents our promising and exciting results—such as the fact that we have employees from over 140 countries of origin and significant representation of the Black community, the Southeast Asian community and various ethnic groups.

The information collected also highlights aspects we need to improve, such as the representation of Indigenous employees and employees with disabilities. We're confident that we can achieve our goals by keeping the dialogue going, showing empathy and seeking concrete solutions that add value for our employees and promote success for everyone. We're also continuing to engage leaders by integrating environmental, social and governance (ESG) priorities into the variable compensation program for executives. These priorities take into account the progress of our three-year inclusion and diversity plan.

Taking action for a more inclusive future will require us to show commitment and perseverance over the coming years, with support from our employees and the various communities we serve that enrich our society.

A stylized, handwritten signature in black ink, appearing to be 'L. Ferreira'.

Laurent Ferreira
President and Chief Executive Officer

Taking Action With and for People

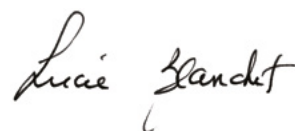
A word from the Chair of the Inclusion and Diversity Council and the Vice-President – Culture and Talent



This second edition of the Inclusion and Diversity Booklet is intended to report on our promising achievements in 2021, which demonstrate the Bank's commitment to doing more and more to promote inclusion and diversity. We're proud of what we've accomplished so far, with and for our employees, as part of our 2020–2023 three-year plan.

This plan was drawn up in partnership with the Inclusion and Diversity Council and in close collaboration with our employee resource groups. It's guided by our One Mission: to have a positive impact in people's lives. Our priorities are to create an inclusive culture, build diverse teams and strengthen our position as a top employer.

The Council's primary mandate is to promote inclusion and diversity throughout the organization; it held around ten sessions in 2021. Made up of employees and executives, the Council is committed to ensuring each sector understands our vision and orientations with respect to inclusion and diversity. The members of the Council act as change agents in various awareness and communication activities, boost the visibility of critical issues and help identify and implement solutions to address them. They encourage each sector to take ownership of the Bank's inclusion and diversity objectives and draw up clear and realistic sector plans to achieve them.



Lucie Blanchet

Executive Vice-President – Personal Banking and Client Experience

In the interests of rigour and transparency, the Inclusion and Diversity Council regularly communicates and follows up with each sector, as well as the Office of the President and the Human Resources Committee of the Board of Directors. This year, the Council had a particularly significant impact in rolling out initiatives linked to our three-year plan within business sectors and to employee segments.

Building, promoting and developing our culture also means listening to employee feedback and experiences. The support we offer and the programs we design result from close collaboration with employees and regular feedback from various sources. Focusing on the employee experience allows us to ensure the Bank remains a career destination of choice where people can achieve their full potential by contributing to the success and well-being of their colleagues, our clients and the community.

We'd like to thank each and every one of you for living by our values and making a difference to our organization and our society as a whole.

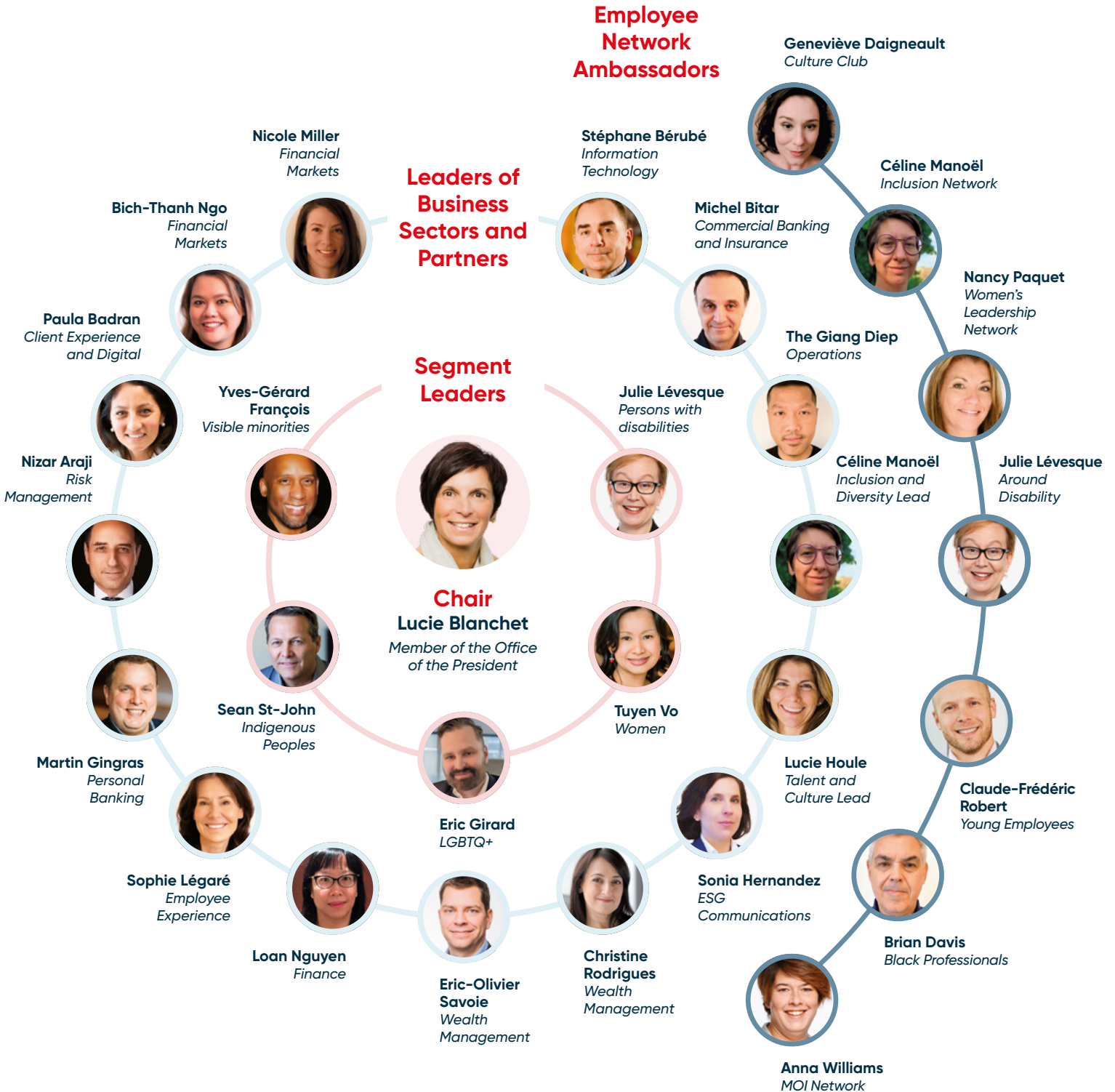


Lucie Houle

Vice-President – Culture and Talent

Inclusion and Diversity Council¹

The Council is composed of leaders engaged with the business sectors and our employee segments working in collaboration with the employee resource groups.



¹ Composition of the Inclusion and Diversity Council at the time of printing.

OUR ONE MISSION

We exist to have a **POSITIVE IMPACT** in people's lives.

By building **long-term relationships** with our clients, employees and communities.

People first.

About Our Booklet

This booklet is dedicated exclusively to the topic of inclusion and diversity. It primarily focuses on our employees and relates to the Canadian operations of National Bank. It was drawn up by a team reporting to the Vice-President – Culture and Talent and results from collaboration with numerous experts in the Employee Experience sector and representatives from our employee resource groups.

Our booklet is aligned with our Board of Directors-approved environmental, social and governance (ESG) principles, which demonstrate how the Bank is committed to sustainable development and to balancing the interests of its different stakeholders.

Inclusion and diversity fall under our social commitments and contribute to the United Nations (UN) Sustainable Development Goals, in particular Goal 5, “Gender equality,” and Goal 10, “Reduced inequalities.”

SOCIAL



We enrich communities

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

Key United Nations Sustainable Development Goals covered by our principles



Scope

Our booklet brings together relevant content related to the Bank’s priorities, commitments and actions in terms of inclusion and diversity, as well as the results to date. The information presented covers the period from January 1 to December 31, 2021, and includes current activities as well as activities included in the 2020–2023 three-year plan. We’ve set measurable targets and will be transparent in sharing our progress by updating this booklet annually. The initiatives set out in this booklet are reviewed regularly to ensure they remain relevant and are therefore subject to change.

Governance

The Bank has created a framework to ensure ongoing sound governance of inclusion and diversity practices. Chaired by the Executive Vice-President – Personal Banking and Client Experience, the Inclusion and Diversity Council is made up of employees and executives from all Bank sectors. The Council is responsible for regularly communicating and following up with each sector, the Office of the President and the Human Resources Committee of the Board of Directors. The Human Resources Committee is responsible for approving orientations and the three-year plan, in addition to overseeing the rollout of acquisition, development and engagement strategies in terms of inclusion and diversity. Quarterly reports on the Bank’s progress are presented to the Office of the President and the Human Resources Committee.



Stakeholders

The booklet is part of the Bank’s ongoing dialogue with its employees and other stakeholders, including clients, the community, shareholders, investors, suppliers, interest groups, international organizations and regulatory authorities. These interactions allow us to perform various impact analyses, improve our practices and aim for the highest disclosure standards, among other things. The booklet presents our diversity targets under the UN Responsible Banking Principles.

Complementary documents to this report on inclusion and diversity at the Bank

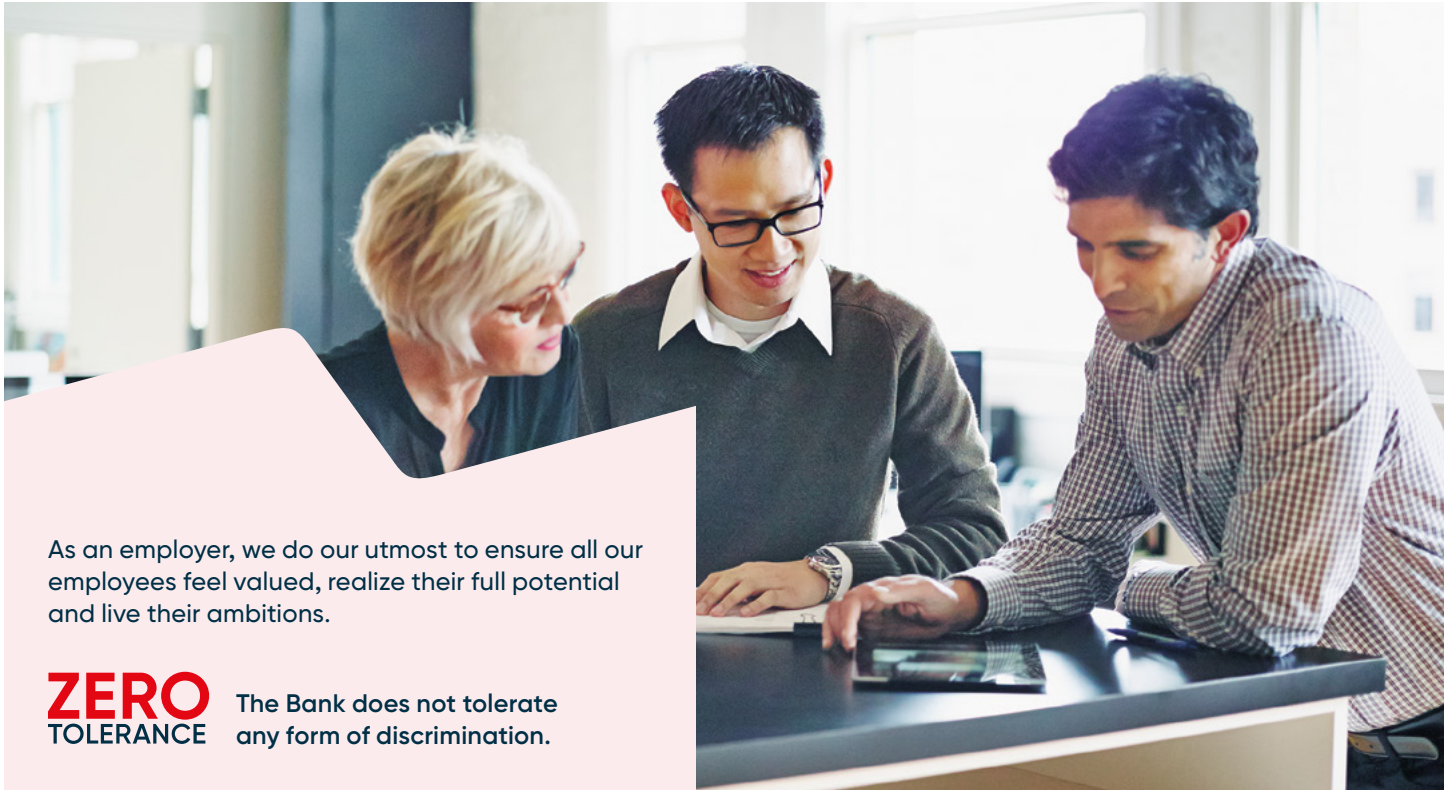
These documents are available on our website at nbc.ca under [About us](#).

-  [Report on Environmental, Social and Governance \(ESG\) Advances](#)
- [Management Proxy Circular](#)
- [Annual Report](#)
- [Code of Conduct and Ethics](#)
- [Human Rights Statement](#)
- [Policy on the Prevention of Workplace Harassment and Violence](#)
- [Stakeholder Engagement Guidelines](#)

@ Contact us

If you have any comments about this booklet, please email us at diversite@nbc.ca.

We're Building on Strong Foundations



As an employer, we do our utmost to ensure all our employees feel valued, realize their full potential and live their ambitions.

ZERO TOLERANCE The Bank does not tolerate any form of discrimination.

Zero tolerance for workplace discrimination, harassment and violence

The Bank greatly values the quality of the environment it offers employees and takes steps to promote an open, respectful workplace, free from discrimination. The Bank has therefore drawn up policies and practices intended to ensure employment equity and respect for human rights while fighting workplace discrimination, harassment and violence. Prohibited grounds of discrimination are set out in the *Canadian Human Rights Act*.

Our equity policies and practices apply to all Bank premises and remote work environments and to any professional or work-related events off Bank premises.

The Bank has created a framework to ensure ongoing sound governance of practices intended to prevent workplace harassment, discrimination and violence.

Respectful, impartial dispute resolution

The Employee Ombudsman's Office facilitates the resolution of disputes that employees and managers at all levels may encounter in the course of their work. It also handles reports anonymously when required. The Ombudsman's Office is responsible for weighing the concerns and interests of the parties involved in a fair and impartial manner. It can present options adapted to the situation or direct employees to the appropriate resources. It can also encourage dialogue between the parties involved in an informal complaint. Advisors in the Ombudsman's Office are required to ensure the confidentiality of their discussions and the facts that are brought to their attention. An incident does not need to be escalated before a file can be opened. The Ombudsman reports to the President and Chief Executive Officer.

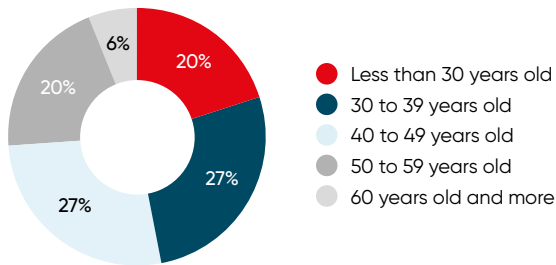
Overview of our workforce today

The Bank sees employee diversity as a great source of wealth and is proud to have employees in different age groups, from different origins and with different sexual orientations and gender identities. Our employees reflect the diversity of the communities we serve and support our values of openness and inclusion.

57%

of our employees have been at the Bank for over 5 years, and **15.5% of them have been with the Bank for more than 20 years.**

Breakdown of employees by age group



Representation of persons with disabilities

2.6% Persons with disabilities represent 2.6% of our workforce; **73% of them are in professional functions.**



Representation of women

53.8%

Women represent 53.8% of the Bank's workforce and nearly **44% of our senior management employees.**

Representation of Indigenous Peoples

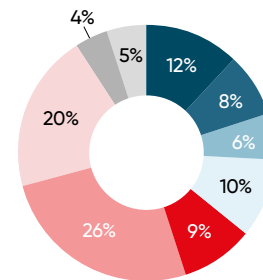
0.6%

Members of Indigenous communities represent 0.6% of our employees, and **75% of them are in professional functions.**

Representation of cultural communities and visible minorities



› According to employees' answers to the self-identification question concerning their cultural origins, **140 countries** are represented in the company, representing nearly **5,300 employees**, and more than **23%** of our employees consider themselves to be members of a visible minority. The table below shows the distribution of employees who consider themselves to be members of a visible minority by origin.¹



- Southeast Asian
- Non-White West Asian
- East Asian
- South Asian or East Indian
- Non-White Latin American (including Indigenous Peoples from Central and South America)
- Black
- Non-White North African or Arab
- People of mixed origin
- Other visible minority

¹ Based on the definition set out in the *Employment Equity Act* and Statistics Canada classifications.

The table below shows the representation of different employee segments by level.

Current workforce profile ¹	As at December 31, 2021	As at December 31, 2020
Women		
Percentage at National Bank	53.80%	54.70%
Percentage in STEM roles ⁱ	17.30%	n/a ⁴
Percentage in professional roles	47.70%	47.80%
Percentage in management roles ⁱⁱ	50.80%	50.80%
Percentage in intermediate management roles ⁱⁱⁱ	81.40%	79.50%
Percentage in senior management roles ^{iv}	44.20%	44.10%
Percentage in executive officer and officer roles (combined) ^v	31.40%	30%
Percentage in executive officer roles	40%	36.40%
Visible minorities²		
Percentage at National Bank	23.10%	23.20%
Percentage in professional roles	24.20%	24.40%
Percentage in management roles	15.60%	15.40%
Percentage in intermediate management roles	20.60%	18.80%
Percentage in senior management roles	14.60%	14.60%
Percentage in executive officer and officer roles (combined)	5.80%	4.70%
Percentage in executive officer roles	0%	0%
Persons with disabilities²		
Percentage at National Bank	2.60%	2.90%
Percentage in management roles	1.90%	2.20%
Percentage in senior management roles	2%	2.30%
Indigenous Peoples²		
Percentage at National Bank	0.60%	0.80%
Percentage in management roles	1.00%	0.90%
Percentage in senior management roles	0.80%	0.70%
LGBTQ+		
Percentage at National Bank	2.69%	n/a ⁴
Additional metrics		
Number of employees ¹	17 901	17 344
Percentage of employees who have completed our diversity and inclusion training	97%	97%
Percentage of employees who have completed our unconscious bias training	70%	n/a ⁴
Percentage of employees with more than one year of service who have completed ³	93%	97%



Diversity data for the Council is detailed in the [Management Proxy Circular](#).

¹ Regular active employees working in Canada.

² As defined under the *Employment Equity Act*.

³ In 2021, the Bank reviewed and relaunched its self-identification form for all employees working in Canada. Certain variations compared to 2020 may be due to a lower self-identification rate.

⁴ Calculated for the first time using 2021 data.

ⁱ STEM: These functions include, but are not limited to, the following positions: computer programmers, web developers, statisticians, engineers, physicists, scientists.

ⁱⁱ Percentage of employees in a Level 1 to 9 management function

ⁱⁱⁱ Percentage of employees in a Level 1 to 4 management function

^{iv} Percentage of employees in a Level 5 to 9 management function

^v Percentage of employees in a Vice-President or higher function, approved by the Office of the President.

Making employee well-being a priority

The Bank's success is tied to the well-being of our employees. By creating an inclusive work environment that promotes a feeling of belonging, we can contribute to employee development and foster a positive employee experience.

We believe inclusion and diversity issues deserve to be discussed in a transparent manner at all levels of our organization. To respond appropriately to these issues, we try to maintain an open dialogue and regularly ask employees for their opinions. That's why we integrate specific questions about inclusion and diversity into our internal surveys on various aspects of the employee experience. These questions attest to the value we assign to these topics.

Inclusion is a fundamental value at the Bank, and we're proud of the engagement of our various employee segments in 2021. The engagement index has remained high for a second consecutive year. This highlights our major strengths, including a client-centric culture that puts people first (clients, employees and the community) as well as a willingness to make a commitment to performance, individually and collaboratively.

Employee engagement index ¹	2021	2020	2019
Overall	87	86	82
Women	87	87	82
Visible minorities	86	84	80
Persons with disabilities	82	82	77
Indigenous Peoples	89	83	82



“Openness and respect for diversity are central to the Bank’s values. The Bank’s actions to support employee well-being are very stimulating and encourage us to live our personal and professional ambitions every day.”

Marie-Josée Dumais, Senior Advisor, Talent Management Strategies

¹ The employee engagement index was established based on the 2021 *Taking a Look* internal survey, which was completed by 15,834 employees. The index measures how motivated a team is to contribute to the success of the organization, to go above and beyond to achieve business objectives. We measure engagement using 5 statements.

We're Promoting an Inclusive Work Environment to Help Everyone Succeed



We're proud of the Bank's achievements in terms of inclusion and diversity over the years. Now we're building on those foundations as we pursue our efforts to move toward greater inclusion for all. To do so, we've set specific targets to be achieved by December 31, 2023, based on clear guidelines and established in collaboration with the Inclusion and Diversity Council. Our vision:

Create the most stimulating work environment in the country while building an inclusive culture and a diverse talent pool to support our social commitment.



Our **three-year action plan for 2020–2023** clearly defines the areas of action that we will focus on in the coming years based on the following priorities:

- › **An open and inclusive environment** free from racism and discrimination where all our employees feel recognized and can reach their full potential
- › **Diverse teams** that are representative of our clients and the communities we serve and access to top talent
- › **A strong position as a top employer** that puts people first and is recognized for **its social engagement** and **sound governance**

"The Bank's main pillars are its corporate values of agility, collaboration, inclusion and diversity."

Excerpt from a speech given by Laurent Ferreira, President and Chief Executive Officer, at the RBC Capital Markets Canadian Bank CEO Conference, January 2022.

Our strategy

Building on the experiences shared by our employees and industry best practices, our strategy relies on fostering open communication and raising awareness to change mindsets, promote openness and engagement and hold managers accountable. We're continuing to take action to fight unconscious bias and create the necessary conditions to support all employees in their development and advancement.

We've established three areas of action to oversee various initiatives across the Bank:

- 1 Discuss
- 2 Engage
- 3 Act daily

1 Discuss



Communication with employees is the cornerstone of a truly inclusive work environment. Promoting the importance of inclusion and diversity depends on open communication and regular conversations that help us change mindsets and raise awareness of associated issues.

To **encourage and facilitate conversations within the company**, the following actions are planned:

- › Hold discussion workshops to reinforce employee awareness of unconscious bias;
- › Establish and roll out a strategy for developing key competencies associated with inclusive leadership in our managers and their teams;
- › Improve access to existing materials and tools (internal educational and informational sites) to facilitate conversations and enhance the quality of interactions;
- › Use our various internal communication channels (employee resource groups, corporate social networks, etc.) to better understand the employee experience and hold ongoing conversations about our commitments, our achievements and the resources available to promote inclusion for all;
- › Roll out the Culture Club interactive discussion and awareness platform created by employees and open to anyone who wants to discuss societal issues or current events. The contributors to this platform are Bank employees. External contributors may also be invited, as needed.

2 Engage



Leading the Bank toward greater inclusion will require more **executive accountability** and **heightened governance of our practices and initiatives**. The Inclusion and Diversity Council will pay specific attention to these aspects as part of its mandate. By including representatives of the various employee segments on the Council, we can better understand all levels of the organization.

By connecting leaders, employee resource groups and expert teams via formal and informal forums, we're working to roll out the following initiatives:

- › Promote inclusion and diversity across the organization by means of focus groups led by managers and employees in each sector who will be responsible for implementing the sector's action plan;
- › Integrate specific representation targets into the executive performance dashboard and communicate them internally and externally;
- › Assess the progress of our initiatives and make quarterly reports on our progress to the Office of the President and the Human Resources Committee of the Board of Directors.

3 Act daily



We want all our employees to feel recognized and be able to achieve their full potential at the Bank. That's why we want to ensure our talent management practices support the professional development of our employees. We optimize our recruitment processes on a regular basis to make sure a strong talent pool is available to the organization. We strive to create favourable conditions that **support our employees in their careers** by taking the following actions:

- › Set up focus groups within the Bank supported by our annual surveys. These focus groups aim to identify concerns and work with employees to adjust some of our programs to deliver an optimal work experience;
- › Assess our human resources practices to ensure equality and eliminate bias and discrimination at every step (recruitment, performance appraisal, compensation, succession);
- › Implement development initiatives specific to each employee segment in collaboration with our employee resource groups;
- › Make mentoring activities more accessible to our different employee segments.

We also want to ensure the Bank has **access to a strong succession pool made up of talented employees who represent the diversity** of the communities we serve.

We will undertake the following:

- › Build internal and external talent pools and pre-qualify candidates for key functions;
- › Roll out the leadership development program to our succession pool;
- › Lead targeted initiatives in schools, universities and organizations that specifically support women, visible minorities, persons with disabilities and Indigenous Peoples, allowing us to develop pools of candidates in those segments.

Live your ambitions



Lastly, **we need to optimize our recruitment processes and experience** so we can reinforce our position as a top employer. The following actions will help us achieve this goal:

- › Highlight talent in various employee segments as part of our recruitment strategies with support from our employee resource groups;
- › Train recruiters and managers and give them the tools they need to work together to neutralize any form of bias that may arise during recruitment;
- › Draft bias-free job postings that mention the accommodation measures offered to candidates during the interview process;
- › Lead a blind CV review pilot project and ensure the selection committees for executive functions include complementary profiles.

Our 2021 achievements

In 2021, a number of initiatives in each of the areas of action in our 2020–2023 three-year plan were rolled out to foster an inclusive culture at the Bank and promote employee development.



Discuss

To promote conversations on inclusion and diversity at the Bank, we:

- › published a video to raise awareness of unconscious biases, which 70% of employees have watched;
- › developed new informational content and updated internal training material, including workshops on unconscious biases, informative videos and management tools linked to inclusion and diversity that are accessible to all employees;
- › created a monthly information bulletin exclusively dedicated to inclusion and diversity endorsed and shared by the members of the Inclusion and Diversity Council with their sectors and via the company's internal social network for employees;
- › helped raise awareness and teach employees about inclusion and diversity via Culture Club initiatives such as:
 - creating and broadcasting educational videos;
 - setting up employee discussion workshops;
 - leading a reading club;
 - developing a mentorship program for visible minorities.



Engage

To foster employee engagement in terms of inclusion and diversity, we:

- › set up working groups made up of managers and employees in 80% of sectors. Through lunch conferences, learning workshops, testimonials and other methods, these groups are taking action to implement the sector plans drawn up by the members of the Inclusion and Diversity Council;
- › integrated objectives for representation of women and members of visible minorities in executive positions into the shared dashboard for all executives;
- › delivered quarterly presentations on the progress of initiatives to the Office of the President and the Human Resources Committee of the Board of Directors, given by an Employee Experience executive and a member of the Inclusion and Diversity Council. The Human Resources Committee ensures compliance with orientations and our three-year plan while implementing strong strategies to promote inclusion and diversity;
- › obtained more precise data about employee diversity via an updated self-identification form, which has been voluntarily completed by 93% of our employees. This initiative simplified the form and allowed us to obtain more accurate and current information and update our minority group categories.



Act daily

To help employees achieve their full potential and ensure they feel recognized, we:

- › set up focus groups within the Bank to identify employees’ concerns about roadblocks to career advancement. The feedback gathered during these discussions allows us to adjust our career development programs and deliver an optimal work experience;
- › rolled out mentorship programs and a coaching program for various target groups, in particular women and visible minorities;
- › promoted our central value of inclusion throughout the organization every day. This is reflected in the employee initiatives rolled out to complement our corporate actions, such as:
 - participation in discussion panels;
 - creation of employee resource groups;
 - organization of fun activities.

Inclusion Network

In 2021, the Inclusion and Diversity Ambassadors program became the Inclusion Network employee resource group. All our employees have the opportunity to act as drivers of inclusion and diversity by becoming involved in internal networks as ambassadors, allies and advocates. They help maintain open and inclusive dialogue within the organization, promote our activities to their colleagues and raise the Bank’s profile in their communities. The network unites employees while guiding and supporting the transformation for a more inclusive culture.



In 2021, the Bank was proud to become an Employer Partner of the Canadian Centre for Diversity and Inclusion (CCDI).



“Inclusion is everyone’s business. We’re committed to including everyone, whatever our differences. This unifying network aims to empower and educate all our employees and help them contribute to driving change.”

Céline Manoël, Senior Manager, Inclusion and Diversity, Employee Experience sector

We also rolled out many initiatives to promote the inclusion and development of various employee groups: women, visible minorities, persons with disabilities, Indigenous Peoples and members of the LGBTQ+ communities.

Women

To promote the development and mobility of women, increase their representation in management roles and benefit from market best practices, we've established a **number of partnerships with the industry and external organizations**. We're proud to be a:

- › **partner of the Association of Québec Women in Finance (AFFQ)**, an association dedicated to the professional advancement of women that aims to influence key players and decision-makers in Quebec's economic development;
- › **partner of Women in Capital Markets (WCM)**, an association that promotes equality through strategies and initiatives intended to increase the number of women in the industry and reinforce understanding of diversity and equality;
- › **partner of Women in Governance (WIG)**, an organization that supports women in their leadership development and career advancement;
- › **signatory of the UN Women's Empowerment Principles**, which aim to empower women to participate fully in economic life across all industries and at all levels;
- › **signatory of the Catalyst Accord 2022**, which brings together 57 major Canadian organizations committed to promoting women in senior management.

A number of initiatives are also underway within the Bank. We've set up a **mentorship program** for women investment advisors at National Bank Financial. This program aims to increase the proportion of women in the profession by helping them achieve a better work-life balance and promoting customer service tailored to the needs of women investors. More than 125 women have benefited from the program since 2016.

The **Women in Capital Markets program** in our Financial Markets sector is intended to encourage women to pursue a career in the industry by means of a one-year mentorship program that prepares them for an internship in the field. Twenty women have benefited from this program since 2018.

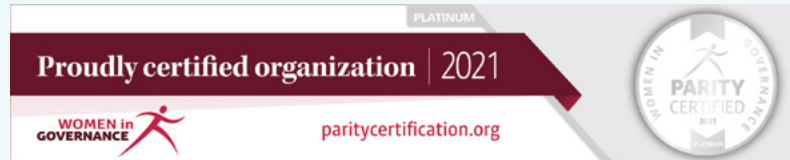


National Bank has been a partner of the A Effect since it was launched in 2015

The A Effect (*L'effet A*) is an organization dedicated to powering women's professional engagement. About 268 women working at the Bank have taken part in the program.

- › 56% of Bank participants were between the ages of 40 and 49.
- › 44% of participants have changed positions within the Bank at least once since participating in the program.
- › 27% of participants who were promoted or made a lateral move after participating in the program transferred to a different business line.
- › 90% of women enrolled remained at the Bank after participating in the program.

Our commitment to making the Bank a more inclusive and diverse company has been recognized on several occasions by external organizations. In 2021, the Bank was selected for the **Bloomberg Gender-Equality Index** for a fourth consecutive year. We also received the **Platinum Parity Certification** from Women in Governance for a second consecutive year, in recognition of our efforts to close the gender gap within our organization.



The Women's Leadership Network

Created in 2012, this employee resource group promotes women's success at the Bank by encouraging networking among women and allies in different sectors. With over 1,300 members, this sharing and support community aims to give women the tools they need to access senior management and executive positions. By switching its networking and training events to virtual mode, the network was able to reach and have a positive impact on even more women across Canada and in our offices abroad. Here are some of its initiatives:

- › Workshop to teach employees how active listening can easily transform their professional relationships, enhance team dynamics and improve work performance;
- › The *Outstanding Women* series. This monthly publication aims to recognize an employee for her exceptional social engagement and inspiring career path;
- › A series of webinars on virtual collaboration that tackles such issues as work-life balance and learning how to let go.



"As a member of the Network since 2020, I've heard testimonials from so many inspiring women. Hearing their stories gives me the energy to keep taking on new challenges. I was also granted an incredible opportunity when I won a year's membership to the AFFQ's *Les Étincelles* program. Meeting women at high levels in various organizations and listening to them talk about how they took on the challenges they faced greatly enhanced my career development. I'm a proud ambassador of the Women's Leadership Network, and I'm actively involved in promoting it to help my colleagues in Operations advance."

Kafui Gayibor, Advisor, Transaction Services

Visible minorities

We recognize that cultural diversity enriches our society, and we're proud to have a workforce that reflects the communities we serve.

To express our commitment to fighting discrimination and racism, we've drawn up and communicated a three-year strategic action plan to prioritize and raise awareness of inclusion and diversity.

We carried out a number of actions, including:

- › Became a signatory of the BlackNorth initiative, which aims to end anti-Black systemic racism in Canada;
- › Organized focus groups and set up a discussion platform to facilitate difficult conversations by reinforcing open dialogue and listening to feedback related to discrimination and racism;
- › Provided teams and leaders with training on unconscious biases;
- › Shared our commitments and best practices with other companies;
- › Signed partnerships with schools, universities and organizations supporting various cultural communities, including Black communities:
 - Black Professionals in Tech Network
 - Onyx Initiative
 - *Médias Maghreb* radio station
- › Participated in the Sector Gateway program, which matches professionals from under-represented groups;
- › Created a mentoring and sponsorship program to increase our pool of successors who are visible minorities;
- › Enhanced the quality of our data on ethnic origins by relaunching the self-identification form for all employees;
- › Integrated diversity targets into the executive performance dashboard via ESG targets.

We're also pursuing other initiatives:

- › Organizing focus groups and discussion forums to better understand the experience of employees who belong to visible minorities, target obstacles to their recruitment and career advancement and reinforce their engagement and feeling of belonging at the Bank.



Black Professional Network

Created in 2020, this employee resource group's mission is to attract, develop and retain top Black talent by promoting community involvement, leadership development and a culture of inclusion. This employee resource group encourages mentorship and organizes a number of workshops and conferences. It highlights Bank employees' commitment to real change and contributes to the success of its members.



"I joined the Black Professional Network so I could help make the Bank more inclusive and play an active role in change."

Marie-Thérèse Djeugo, Project Manager – Information Technology

Persons with disabilities

The Bank is aware of the needs of persons with visible or invisible disabilities and is committed to helping them fulfill their ambitions through various measures designed to support them in their work and enhance their everyday experience. Our **accommodation program** allows us to modify working conditions, physical and IT work environments, work schedules and tasks to suit the specific needs and abilities of employees.

In addition to organizing work appropriately, we want to set up the necessary conditions to continue attracting persons with visible and invisible disabilities and allow them to make the most of their personal and professional talent.

Our commitment to persons with disabilities is expressed through a number of initiatives. For example, we:

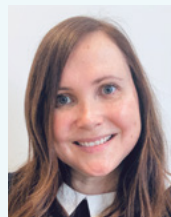
- › created a volunteer employee committee led by an executive on the Inclusion and Diversity Council to develop specific initiatives and make the work environment more inclusive of persons with disabilities;
- › created the Around Disability employee resource group;
- › partnered with the IVADO Institute on a social innovation project using digital intelligence. The goal was to develop a solution that will allow individuals with a visual impairment to navigate the Bank's new head office at 800 rue Saint-Jacques.

We're also pursuing other initiatives, such as:

- › hiring a cohort of data scientists and data engineering analysts who self-identify as neurodiverse;
- › collaborating with external organizations that support us in discussing and developing appropriate measures to recruit employees with visible and invisible disabilities. One of our objectives was to review the requirements for certain job postings to eliminate obstacles to hiring.

Around Disability

In 2021, the Bank supported the creation of the Around Disability employee resource group. This group aims to showcase and share stories, experiences and events related to people with visible or invisible disabilities.



"As someone with a disability, I can unhesitatingly affirm that my employer promotes the values of inclusion and diversity every day. The proof? In 20 years at the Bank, I've never once felt that I was seen only as my disability. People with disabilities—minor or major, visible or invisible—are welcomed at the Bank."

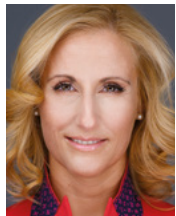
Isabelle Blais, Business Strategy and Personal & Commercial Banking Integration

Indigenous Peoples

Increasing the proportion of our employees who are members of Indigenous communities is among our priorities. We hold ongoing open conversations with Indigenous employees to reinforce their feeling of belonging and allow them to truly be themselves in the work environment. We're committed to giving everyone the same chance at success. We want to understand what obstacles Indigenous Peoples face when it comes to advancing in their career and what factors would make the Bank more attractive to them as an employer.

To achieve these goals, we're undertaking a number of concrete actions:

- › creating a volunteer employee committee led by a Bank executive on the Inclusion and Diversity Council to develop specific initiatives and make the work environment more inclusive of people from Indigenous communities;



“National Bank today reflects the image of all its employees. It’s our bank. We should be proud and value our origins while respecting differences. The wealth of our organization lies in its diversity!”

Geneviève Turbide-Potvin, MBA, Senior Vice-President – Commercial Banking and Private Banking, Quebec

- › promoting Indigenous talent as part of annual celebrations and by holding awareness, education and talent attraction activities:
 - celebrating National Indigenous Peoples Day on June 21;
 - commemorating the National Day for Truth and Reconciliation on September 30.
- › holding workshops to better understand the current and desired experience and increase the impact of our actions;
- › obtaining additional external support for the teams of experts responsible for reviewing our programs and approach.

We are also actively participating outside the Bank by joining other events, discussion forums and advisory committees organized by external organizations and institutions that aim to improve the representation of Indigenous communities on the job market.

LGBTQ+ communities

At the Bank, our inclusive culture means we consider all our employees equally and apply the same approach to everyone while respecting each person's diversity. We fully support the LGBTQ+ communities and work with organizations that promote respect for the human rights of all people, irrespective of their gender identity or sexual orientation.

The Bank is aware of the challenges faced by trans and non-binary people and is committed to providing them with an inclusive work environment that improves the quality of their everyday work experience. In 2021, the Bank therefore adopted a specific support process for the employees concerned and their managers.

We're proud to be a:

- › partner of Fondation Émergence, GRIS-Montreal and Pride at Work Canada;
- › signatory of the UN Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bi, Trans and Intersex People.

The MOI Network

We also support the internal MOI employee resource group that fosters a motivating (M), open (O) and inclusive (I) work environment and aims to offer all Bank employees an additional point of contact to learn about and discuss diversity in orientation and identity. Created in 2012 as the IDEO Network to represent members of the LGBTQ+ communities at the Bank, the MOI Network supports acceptance and inclusion of diversity within the Bank, complementing our commitment to putting people first.



“The MOI employee resource group allows me to promote and contribute to innovative Bank-wide initiatives related to the issues faced by the LGBTQ+ communities. It helps make sure all employees feel included and are free to express their diversity.”

Philippe Dubé, Talent Acquisition Advisor, Employee Experience sector

Our performance indicators

We measure the impact of our actions by the significant improvement of our performance indicators.

- › The **perception that the Bank offers an environment conducive to inclusion and diversity**, as measured by the overall inclusion and diversity index,¹ stood at 79% in 2020. This result was largely exceeded in 2021, **reaching 86%—a 7% improvement**.
- › **Knowledge of the resources and tools available internally¹ to facilitate conversations and foster positive interactions within the Bank** stood at 58% in 2020. **In 2021, it jumped by 20% to 78%.**

Representation (overall and by sector) in terms of the percentage of each employee segment in the Bank's workforce is drawing closer to the targets set for December 31, 2023, as indicated in the table below:

Segments	Overall pool		Executives		Senior management employees	
	As at December 31, 2021	2023 Target	As at December 31, 2021	2023 Target	As at December 31, 2021	2023 Target
Women	53.80%	56%	31.40%	36%	44.20%	47%
Visible minorities ²	23.10%	26%	5.80%	7%	14.60%	16%
Persons with disabilities ²	2.60%	4%	n/a	n/a	n/a	n/a
Indigenous Peoples ²	0.60%	1%	n/a	n/a	n/a	n/a

¹ The index was established based on the 2021 *Taking a Look* internal survey, which 15,834 employees responded to.

² As defined under the *Employment Equity Act*.

