

**MINUTES** of the Annual Meeting of the Holders of Common Shares of NATIONAL BANK OF CANADA, held at 600 De La Gauchetière Street West, 4<sup>th</sup> Floor, Montreal, Quebec on April 15, 2016 at 10 a.m. (the "Meeting")

On behalf of Louis Vachon, President and Chief Executive Officer of National Bank of Canada (the "Bank"), the members of the Board of Directors (the "Board") and the members of the Office of the President, Jean Houde, Chairman of the Board, welcomed the shareholders.

Jean Houde stated that, in accordance with the By-Law of the Bank, the Board had designated him, as well as Dominic Paradis, Vice-President, Legal Affairs and Corporate Secretary, to respectively act as Chairman and as Secretary of the Meeting. He invited the audience to read the agenda for the Meeting and the code of procedure, which had been distributed before the Meeting.

The Chairman of the Meeting explained the procedure for interventions during the Meeting. He indicated that some of the statements that would be made during the Meeting contained or could contain forward-looking statements. He indicated that more complete information on the subject was available in the Bank's 2015 Annual Report and in Management's Discussion and Analysis for the first quarter of 2016, which were available on the Bank and SEDAR websites.

#### **ATTESTATION OF QUORUM AND APPOINTMENT OF SCRUTINEERS**

The Chairman of the Meeting appointed Martine Gauthier and Sonia Ciavaglia of Computershare Trust Company of Canada to act as Scrutineers during the Meeting.

He noted that the required quorum had been achieved, and declared the Meeting properly convened.

#### **ADDRESS BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER <sup>(1)</sup>**

Louis Vachon highlighted the solid performance of all the Bank's business lines during the financial year 2015 and the growth in loan and deposit volumes. He addressed the 2016 and 2017 forecasts as well as the Bank's three drivers for growth, i.e., technological investments in the context of developing the multi-channel service offering, a Canada-wide expansion targeting specialized markets and services, and international development in certain high-growth markets.

#### **RECEIPT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE INDEPENDENT AUDITOR'S REPORT**

The Chairman of the Meeting confirmed that the financial statements had already been approved by the Board and declared having received the consolidated financial statements of the Bank for the fiscal year ended October 31, 2015 and the independent auditor's report thereon.

#### **REVIEW OF GENERAL PRACTICES GOVERNING VOTING**

The Chairman of the Meeting reviewed the general voting rules. He stated that the voting on each of the proposals would proceed by way of secret ballot, and that the results of the vote would be presented as soon as the Scrutineers' report was given to him. He added that a report on the voting results would be available on the Bank and SEDAR websites after the Meeting.

#### **PRESENTATION OF MANAGEMENT PROPOSALS <sup>(2)</sup>**

##### Election of Directors

The Chairman of the Meeting indicated, as mentioned in the Management Proxy Circular (the "Circular"), that Louise Laflamme, Roseann Runte and Lawrence S. Bloomberg were not standing for re-election as directors.

He stated that, in accordance with a resolution adopted by the Board, the number of directors to be elected was 13.

Rosalie Laperrière-Dumas, a shareholder of the Bank, named the director nominees: Jean Houde, Raymond Bachand, Maryse Bertrand, Pierre Boivin, André Caillé, Gillian H. Denham, Richard Fortin, Karen Kinsley, Julie Payette, Lino A. Saputo, Jr., Andrée Savoie, Pierre Thabet and Louis Vachon, and moved that each of these nominees be elected until the close of the next annual meeting or sooner if he or she were to leave his or her position.

The Chairman of the Meeting invited the holders of Common Shares to vote on this management proposal.

##### Advisory vote on the Board's approach to executive compensation

The Chairman of the Meeting indicated that, in 2015, the Board, assisted by the Human Resources Committee, had continued its review of good governance practices regarding executive compensation. He thanked the members of the Human Resources Committee of the Bank for their work on this matter.

Adil Moubah, a shareholder of the Bank, moved that, on an advisory basis and not to diminish the role and responsibilities of the Board, holders of Common Shares accept the approach to executive compensation described in the Circular.

Willie Gagnon, a representative and proxyholder of *Mouvement d'éducation et de défense des actionnaires* ("MÉDAC"), commented on executive compensation, and proposed voting against the proposal. Mr. Houde thanked Mr. Gagnon for his comment.

The Chairman of the Meeting invited the holders of Common Shares to vote on this management proposal.

##### Appointment of the independent auditor

Audrey Beauchesne, a shareholder of the Bank, moved that the chartered professional accountants firm Deloitte LLP be appointed to act as independent auditor of the Bank for the fiscal year beginning November 1, 2015 and ending October 31, 2016.

The Chairman of the Meeting invited the holders of Common Shares to vote on this management proposal.

#### **PRESENTATION OF SHAREHOLDER PROPOSALS <sup>(3)</sup>**

The Chairman of the Meeting indicated to the shareholders that the Bank had received, by the prescribed deadline, proposals from MÉDAC, which had accepted, after discussions with the Bank, to not submit these proposals to shareholder vote.

The Chairman of the Meeting invited the representative of MÉDAC to present the proposals submitted by MÉDAC. Willie Gagnon gave an overview of the four proposals, which related to the following topics:

- Length of directors' term of office;
- Simplifying financial information;
- Customer service; and
- Paying a fair share of taxes.

#### **QUESTION PERIOD**

The Chairman of the Meeting gave the floor to Louis Vachon for the question period, which dealt with the following topics:

- The evaluation of client satisfaction with respect to the mobile service offering;
- Tax evasion;
- The Bank's market shares;
- Foreign exchange at Natbank U.S. branches;
- The status of cheques in the Canadian banking system;
- The Bank's foreign investments; and

<sup>(1)</sup> The slides used for the address by Louis Vachon were entered in the records of the Bank and are available on the Bank's website.

<sup>(2)</sup> The texts of the management proposals are presented in their entirety in the Circular.

<sup>(3)</sup> The texts of the shareholder proposals and the Bank's position are presented in their entirety in the Circular.

- The dividends paid on Common Shares.

#### **VOTING RESULTS**

Following receipt of the Scrutineers' report, the Chairman of the Meeting announced to the shareholders the results of the votes on the following proposals:

##### Election of Directors

All the director nominees had been elected by a substantial majority of shareholders.

##### Advisory vote on the Board's approach to executive compensation

A substantial majority of shareholders had voted for this proposal.

##### Appointment of the independent auditor

A substantial majority of shareholders had voted for this proposal.

The Chairman of the Meeting indicated that a detailed report on the voting results would be available on the Bank and SEDAR websites after the Meeting.

#### **TERMINATION OF THE MEETING**

The question period having ended and there being no further business, the Chairman of the Meeting thanked the shareholders and declared the Meeting terminated.

*(s) Jean Houde*  
Chairman

*(s) Dominic Paradis*  
Secretary