



## Minutes of the 162nd Annual Meeting of Shareholders <sup>1</sup> ("Meeting") of National Bank of Canada (the "Bank")

Montreal, April 23, 2021 at 10 a.m.

The Meeting was held online and via conference call.

### Opening of the Meeting

Jean Houde, Chairman of the Board of Directors of the Bank (the "Board") and the Meeting, welcomed the shareholders. He was joined by the President and Chief Executive Officer, Louis Vachon, the Chief Operating Officer, Laurent Ferreira, the Senior Vice-President – Legal Affairs and Corporate Secretary, Dominic Paradis, who acted as Secretary of the Meeting, and the Senior Manager – Governance and Treasury and Assistant Corporate Secretary, Denis Brind'Amour. The directors, director nominees, members of senior management, and Deloitte representatives attended the Meeting online. They joined the Chairman in warmly welcoming the shareholders.

Mr. Houde stated that all individuals in attendance had complied with the health measures in effect. He reminded everyone that a year had passed since the start of the global pandemic. He highlighted the dedication and passion of the Bank's teams, particularly frontline employees across Quebec and the rest of Canada in supporting the Bank's clients and the communities it serves.

Jean Houde noted that he would have liked to meet the shareholders in person, but in the context of the COVID-19 pandemic, the well-being of shareholders, employees, clients and communities had been prioritized.

He announced that Macky Tall, Co-Chair of the Infrastructure Group of The Carlyle Group and former executive at the Caisse de dépôts et placements du Québec, was a first-time candidate for election to the Board.

Mr. Houde acknowledged and thanked Raymond Bachand whose mandate was ending after 7 years of service on the Board.

Dominic Paradis explained the procedure for how to vote online. Jean Houde then provided details concerning the program for the Meeting. He indicated that certain statements contained or could contain forward-looking statements. Mr. Houde explained how the Meeting would proceed.

### Quorum and constitution of the Meeting

Mr. Houde appointed Martine Gauthier of Computershare Trust Company of Canada to act as Scrutineer for the Meeting. It was confirmed that the notice of meeting had been sent to shareholders in accordance with the *Bank Act*.

As quorum was attained, Jean Houde declared the Meeting duly convened.

### Address of the Chairman of the Board

Jean Houde indicated that the past year had been a challenging one for the world, both in terms of public health and the economy. Despite the unpredictable environment caused by the pandemic, the Bank had been able to deliver good results and strong returns to shareholders.

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<sup>(1)</sup> All registered holders or beneficial owners of Common Shares of the Bank.



Mr. Houde remarked that the work of the Board and its committees had been focused on COVID-19 for much of 2020. He reminded attendees that in times of crisis, the Board of Directors' oversight role becomes particularly important. He then listed the actions taken by the Board to fulfill its responsibilities for COVID-19-related issues as well as its oversight and advisory obligations.

Jean Houde reported that the Board continued to invest in the future by also devoting time to the Board's other priorities. Specifically, he mentioned the appointment of Laurent Ferreira as Chief Operating Officer effective February 1, 2021. Mr. Houde then pointed out that 2020 was a year in which the Bank had continued to implement its environmental, social and governance ("ESG") strategy. He reminded everyone of the importance of diversity and inclusion at the Bank, both on the Board as well as throughout business units.

He concluded by reminding everyone that since the beginning of the crisis, the Bank had prioritized the well-being of its employees and communities, all in pursuit of its mission: to put people first.

Before turning the floor over to Louis Vachon, Mr. Houde acknowledged the leadership of the members of the Office of the President.

### Address of the President and Chief Executive Officer

Louis Vachon welcomed the shareholders, clients and his colleagues. He also addressed the employees of ABA Bank in Cambodia in Khmer. He introduced the members of the Office of the President, and highlighted the arrival of Julie Lévesque as Executive Vice-President – Information Technology as well the appointment of Laurent Ferreira as Chief Operating Officer.

Mr. Vachon indicated that the Bank was working every year to maintain balance between its stakeholders. He listed and described the extensive support measures deployed by the Bank for Personal Banking and Commercial Banking clients affected by the pandemic. He also discussed the investments made to ensure service accessibility and the strength of our brand.

Mr. Vachon then addressed certain aspects of the Canadian real estate market, the support measures employees had benefited from, the Bank's leadership with regard to the corporate vaccination campaign and the gradual return of employees to offices.

Mr. Vachon went on to address the Bank's culture. He then discussed diversity and the targets the Bank had set, in addition to the initiatives put in place to achieve these targets. He also shared the advances made by the Bank with respect to the environment and the fight against climate change.

Mr. Vachon discussed the Bank's financial results, shareholder return and economic growth in Quebec and Canada.

He concluded by thanking the Bank's employees, clients, the Board and the Office of the President for the resilience and confidence they had shown over the past year.

### Annual financial statements and independent auditor's report

Jean Houde confirmed that the financial statements had been sent to shareholders who had requested them and that they were also available online. Mr. Houde confirmed that the financial statements had already been approved by the Board in accordance with the *Bank Act*, and declared having received the consolidated financial statements of the Bank for the fiscal year ended October 31, 2020 and the independent auditor's report thereon.



## Voting

At Mr. Houde's request, Dominic Paradis explained the general rules applicable to online voting. The results would be made known at the end of the voting period and posted after the Meeting on the Bank and SEDAR websites. He explained to the shareholders the process to submit any comments or ask questions online about the proposals.

## Management proposals<sup>(2)</sup>

### Election of directors

Jean Houde reminded everyone that the Board's composition was an essential element of governance, and that the Board was competent and diversified in terms of gender, experience and geographic representation.

In accordance with a resolution adopted by the Board, Jean Houde indicated the number of directors to be elected (16).

Dominic Paradis listed the director nominees: Maryse Bertrand, Pierre Blouin, Pierre Boivin, Manon Brouillette, Yvon Charest, Patricia Curadeau-Grou, Laurent Ferreira, Jean Houde, Karen Kinsley, Rebecca McKillican, Robert Paré, Lino A. Saputo, Andrée Savoie, Macky Tall, Pierre Thabet and Louis Vachon, and moved that each of these nominees be elected until the close of the next annual meeting or earlier if he or she were to leave office.

There being no questions, the Chairman of the Meeting invited the shareholders to vote.

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

Jean Houde pointed out that by requesting an advisory vote on its approach to executive compensation, the Board was demonstrating its commitment to the Bank's shareholders and recognizing its responsibility regarding executive compensation decisions. He stated that during fiscal 2020, in a context of continuous change, the Board and its Human Resources Committee had continued to review good governance practices with respect to compensation.

Dominic Paradis 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 disclosed in the Management Proxy Circular.

Denis Brind'Amour stated that Willie Gagnon of MÉDAC had submitted a comment with respect to this proposal. MÉDAC is of the opinion that shareholders should vote against this proposal.

### Appointment of the independent auditor

Dominic Paradis moved that the professional accounting firm of Deloitte LLP be appointed to act as independent auditor of the Bank for the fiscal year beginning November 1, 2020 and ending October 31, 2021.

There being no questions, the Chairman of the Meeting invited the shareholders to vote.

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<sup>(2)</sup> The proposals submitted by the Bank's management are presented in their entirety in the Circular Management Proxy Circular.



## Replenishment of the number of shares reserved for issuance under the Stock Option Plan

Jean Houde explained to the shareholders that the purpose of the amendment to the Stock Option Plan (the "Plan") was to partially replenish the number of common shares of the Bank reserved for issuance upon the exercise of options issued under the Plan.

Dominic Paradis submitted this proposal as presented in the Management Proxy Circular.

There being no questions, the Chairman of the Meeting invited the shareholders to vote.

## Shareholder proposals (not put to the vote)<sup>(3)</sup>

Jean Houde indicated that the Bank had not received any shareholder proposals to be voted on this year. However, he specified that the Bank and the Mouvement d'éducation et de défense des actionnaires ("MÉDAC") had agreed to include in the Management Proxy Circular for information purposes only and without a vote, proposals 1 to 7. Mr. Houde invited Willie Gagnon, MÉDAC representative, to take the floor.

Mr. Gagnon highlighted the 25th anniversary of MÉDAC, and reported on discussions between the Bank and MÉDAC and the quality of these exchanges. Willie Gagnon presented the seven proposals not put to the shareholder vote included in the Management Proxy Circular.

## Question period

Mr. Vachon led the question period, which focused on the following points:

- Dividends and the increase in dividends
- Share splitting
- Shareholder proposals not put to the vote
- Restrictions on increasing shareholder dividends
- Diversity on the Board and in senior management

## Voting results<sup>(4)</sup>

Mr. Houde presented the preliminary voting results, as reported by the Scrutineer:

- All the director nominees were elected and received at least 98.25% of the votes for their election.
- The advisory resolution to accept the Board's approach to executive compensation was adopted with 95.43% of the votes cast for the approach.
- Deloitte was appointed independent auditor for the fiscal year ending October 31, 2020 with 98.75% of the votes cast for the independent auditor.
- The resolution to approve the replenishment of the number of common shares reserved for issuance under the Plan was passed with 90.73% of votes in favour.

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

<sup>(4)</sup> The final voting results can be viewed at: [https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/assemblee-annuelle/2020/nbc-agm-2020-votes-results.pdf](https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/rerelations-investisseurs/assemblee-annuelle/2020/nbc-agm-2020-votes-results.pdf)



## Termination of the Meeting

Jean Houde assured attendees that the Board's attention was focused on the future, that the Bank was strong and well positioned for continued growth.

He concluded by thanking the Bank's clients and shareholders for their confidence.

The question period having ended and there being no further business, Jean Houde thanked the shareholders and the employees for their contribution to the Bank's success and declared the meeting terminated.

(s) *Jean Houde* (s) *Dominic Paradis*  
Chairman                      Secretary