

INCLUSION AND DIVERSITY POLICY OF THE BOARD OF DIRECTORS

National Bank of Canada and its Board of Directors believe it is important to have a board that reflects our clients, employees and the communities where the Bank is active. We believe that a balanced and diversified board offers numerous advantages, including complementary skills, different points of view and a good understanding of our stakeholders' needs and expectations. In addition, a culture of inclusion promotes frank and constructive debate within the board and its committees and during discussions with management.

Goal

We have therefore set ourselves the goal of enhancing inclusion and diversity within the Board of Directors, aiming for parity and maintaining the presence of at least 40% women and 40% men among our independent directors.

Criteria

When evaluating board composition, succession planning and evaluating new director candidates, the Conduct Review and Corporate Governance Committee of the board ensures compliance with applicable legislation and considers a set of factors, including the current and future needs of the board, our business and geographic reality, in addition to our requirements in terms of independence, competence, availability, integrity and adherence to the Bank's values.

To reach our goal of enhancing inclusion and diversity within the board, the committee also considers the following criteria:

- gender and belonging to these underrepresented groups: visible minorities, indigenous peoples, persons with disabilities (whether visible or not) and members of LGBTQ+ communities
- other diversity criteria such as age, belonging to an ethno-cultural group and place of residence
- people with different profiles and a wide range of experiences and career paths, as well as complementary knowledge and skill sets

How to achieve the goal

The Conduct Review and Corporate Governance Committee can rely on the following tools:

- a rigorous succession planning process
- a term limit for directors
- a pool of candidates consistent with our goal and the above criteria, updated on an ongoing basis
- the option of enlisting the services of external consultants to help identify potential candidates

In addition, the chair of the board and the committee chairs are responsible for fostering inclusion by cultivating a climate of openness and respect where every member can fully assume their role.

Assessing our progress

On an ongoing basis, the Conduct Review and Corporate Governance Committee evaluates the board composition using the following data:

- aggregated results of the self-identification questionnaire that directors answer on a voluntary basis
- results of the annual assessment of the directors on the composition, diversity and inclusive climate of the board