Human Rights Statement
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Respecting and protecting human rights and freedoms are among National Bank’s fundamental values. We’re committed to creating and maintaining a safe, healthy work environment that is free from all forms of discrimination, harassment, violence and intimidation throughout the organization.

Overview and scope

This statement sets out National Bank’s guiding principles, commitments and expectations in terms of human rights. It outlines how the Bank applies its principles in its activities and relationships with stakeholders, with respect to its various roles:

› Employer with more than 20,000 employees
› Provider of products and services to its clients
› Corporate citizen in the communities it serves
› Partner of local and international organizations

The Bank promotes, respects and prioritizes the protection of human rights for its employees, its clients and the communities it serves, as set out in the applicable legislation of the countries in which it operates.

The Bank subscribes to the values set out in the Canadian Charter of Rights and Freedoms and internationally recognized statements and principles related to human rights and freedoms, such as:

› United Nations Universal Declaration of Human Rights
› International Labour Organization Declaration on Fundamental Principles and Rights at Work
› United Nations Guiding Principles on Business and Human Rights
› United Nations Principles for Responsible Banking

The Bank also aims to contribute to the United Nations Sustainable Development Goals. For more information, please consult the Report on Environmental, Social and Governance (ESG) Advances, available in the Social Responsibility section on nbc.ca.

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The Bank’s Code of Conduct and Ethics contains provisions to ensure people are treated with respect, civility and dignity, and forbids any form of discrimination, harassment, or physical or psychological violence. The Code applies to the Bank’s employees, directors and officers. Interns, contract employees, consultants, agents, mandataries and third parties, including suppliers, whose services we use must also adhere to the Code in their business relationship with us.

Guiding principles, commitments and expectations
› Respect, promote and protect human rights in all of the Bank’s sectors of activity.
› Foster employee empowerment and accountability to discourage actions contrary to this Human Rights Statement.
› Exercise due diligence when it comes to human rights and require stakeholders to do the same.
› Promote financial security by providing tools and raising awareness among clients and employees of the importance of adopting the right behaviours, especially with regard to personal information.
› Openly and transparently communicate the Bank’s human rights-related activities.
› Support organizations committed to promoting human rights.

Inclusion and diversity
Inclusion and diversity are an integral part of the Bank’s corporate culture. In addition to complying with Canada’s Employment Equity Act, the Bank values diversity in all forms and applies a zero-tolerance policy for any form of discrimination based on race, colour, gender, language, religion, political or other opinion, ethnic, national or social origin, wealth, birth or other factors.

This zero-tolerance policy also applies to all forms of workplace harassment and violence, as set out in the Policy on the Prevention of Harassment and Workplace Violence, which applies to all employees, officers and executives, regardless of employee status or position, as well as consultants, suppliers and members of the Board of Directors. Furthermore, the policy applies to all work environments (on site and remote) and to any situation having an impact on work.

The Bank has adopted a 2020–2023 three-year action plan for inclusion and diversity. This plan concretely defines the areas of action we will address based on the following priorities:
› An open and inclusive environment, free from racism and discrimination, where all of 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.

Four priority employee segments were identified as part of the Bank’s three-year action plan for inclusion and diversity: women, visible minorities, people with disabilities and Indigenous people.

The Bank’s commitment to offering an environment that is open and respectful of individual differences is expressed through a number of initiatives:
› Partnerships and donations and sponsorships program
› Employee volunteer program
› Accommodation program for employees and clients
› Program for clients who are newcomers to Canada
› Ongoing internal communication, training and awareness-raising activities
› Employee resource groups

For more information on the Bank’s inclusion and diversity strategy and partnerships, as well as data, consult the Inclusion and Diversity Booklet in the Take action today for a more inclusive tomorrow section on nbc.ca.
Gender equality
The Bank promotes the professional development and advancement of women within the organization and in the community. The Bank’s commitment is expressed through concrete initiatives, such as an employee resource group dedicated to women’s leadership and partnerships with organizations that help advance women. The Bank signed the UN Women’s Empowerment Principles in 2020. These principles promote gender equality in the workplace, marketplace and community.

Pay equity
The Bank ensures compliance with the pay equity regulations and standards in effect. The Bank monitors these principles on an ongoing basis as it continues to develop and apply its compensation policies and programs.

Actions against slavery, forced labour and human trafficking
The Commitment to the Fight Against Slavery sets out the commitment made by the Bank to fight slavery, forced labour and human trafficking through its activities and relationships with partners. This commitment is renewed annually and outlines the measures in place at the Bank. It is made under the United Kingdom’s Modern Slavery Act 2015.

Actions against child labour
The Bank subscribes to the United Nations Universal Declaration of Human Rights and the International Labour Organization Declaration (notably Conventions 138 and 182 on child labour) and has a zero-tolerance policy for child labour.

Actions against financial crime
The Bank has rolled out a program to fight money laundering and terrorist financing (MLTF), which includes provisions aimed at preventing terrorist financing, corruption and non-compliance with international economic sanctions. This program is intended to limit the risk that the Bank’s products and services will be used for criminal purposes, including slavery and human trafficking.

Freedom of expression and opinion
The Bank keeps up an open, ongoing dialogue with employees, getting them involved in business decisions and discussions and requesting their feedback on various topics. Employees can express themselves through regular meetings, weekly and annual surveys, and by using collaboration tools that promote transparency and encourage them to share opinions, ideas and feedback.

Clients can share their comments and suggestions via a number of channels: at a branch, by phone, by email or on social media. The Bank also uses satisfaction surveys, focus groups and online panels to get feedback from clients.

Freedom of association and collective bargaining
The Bank encourages open dialogue with employees and offers them a fair and equitable work environment where they can communicate their opinion and concerns directly, without needing to go through a representative.
Health, safety and well-being

Health is a priority for the Bank. That’s why it encourages employees to take charge of their physical and mental health by providing information, tools and resources to help them adopt a healthy lifestyle.

The Bank’s Employee and Family Assistance Program (EFAP) offers completely confidential professional support for employees and their families who are going through difficult times. In addition to this service, the EFAP provides specialized services to assist managers with emotionally difficult and delicate situations related to their management role.

The Bank gives its employees the opportunity to work remotely as their duties permit and promotes work-life balance. In 1980, it became the first company in Quebec to offer employees a daycare facility at work. The Bank takes pride in its continued support for employees who are parents.

The Bank takes the necessary measures to provide a safe work environment. All workplaces in Canada are regularly inspected and a trained health and safety representative is available to answer employees’ questions. The Bank’s health and safety committees and health and safety policy committee are in charge of implementing and maintaining regulations to ensure physical and mental health and safety.

As a preventive measure, the Bank has developed a series of mandatory training sessions for employees on occupational health and safety, hygiene measures, mental health (e.g., stress and anxiety) and safety at home.

Accessibility

National Bank continues to make significant investments in its branches and points of service to offer clients an environment that lives up to their expectations.

Physical network

In 1992, the Bank made a commitment to the Canadian Human Rights Commission to ensure its branches and other buildings comply with universal accessibility standards. When renovating or designing premises, we apply the most rigorous standards in effect.

For more information on the Bank’s accessibility measures, consult the An accessible experience for all page.

Clients

The Bank has rolled out measures to improve access to financial services and meet the specific needs of clients, including underbanked, unbanked and poorly serviced individuals. For example:

› Bank accounts offered free 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 age 18 to 24 and people age 60 or older.

The Bank’s financing policies take into account clients’ debt repayment capacity. Mechanisms are in place to assist clients who are having trouble making their payments.

All our employees must respect the principles of dignity, autonomy, integrity and equal opportunity at all times. They have access to training material to help them understand the legal accessibility requirements for products and services. We are well-equipped and committed, among other things, to:

› Sharing clear information using different means of communication;
› Asking our clients if they need help using our services;
› Prioritizing any requested changes to accommodate clients with limitations.

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 and over, upon presentation of proof of eligibility.
Protecting seniors

The elderly population is increasing, and measures are therefore being taken to better serve this client segment. The Bank has signed on to the Code of Conduct for the Delivery of Banking Services to Seniors, a set of guiding principles adopted by the Canadian banking industry to fully address the needs of clients aged 60 and over.

The Bank undertakes to:
› Support senior clients;
› Take action to prevent scams, fraud and financial abuse targeting seniors;
› Recognize the signs of abuse;
› Communicate effectively with seniors;
› Offer products and services tailored to seniors’ needs.

Financial literacy

The Bank believes that financial education is essential to financial health. That’s why we offer a wide range of resources and tools to help our clients carefully plan their financial needs based on their projects and life stages.

The Advice section of our website at nbc.ca provides access to a wealth of articles, videos and files with helpful advice on various aspects of managing personal finances.

Through partnerships with different organizations, the Bank supports the creation of financial education initiatives targeting various groups, including students and newcomers to Canada.

Risk management

The assessment and mitigation of social risks is an integral part of risk management, together with credit, market, liquidity, operational and reputational risk management. Social issues play an increasingly important role in the Bank’s strategies and decisions. Accounting for these risks helps promote best practices among our stakeholders.

Environmental, social and governance (ESG) factors are integrated into the Bank’s processes. This involves carrying out due diligence as part of our credit origination processes, starting with the Corporate Banking portfolio. For this client segment, the ESG risk analysis framework includes criteria related to human rights policies. Through its risk management policies, the Bank is committed to improving its risk assessment processes so it can offer sustainable financing that promotes healthy growth while adhering to the principles and reference frameworks set out in international commitments such as the UN Principles for Responsible Banking.

Access to water

The Bank recognizes access to water as a fundamental right. The Bank’s water footprint mainly derives from personal use by employees. In any major reorganization or relocation project, the Bank opts for equipment that uses water sustainably.

For more information on the Bank’s initiatives for seniors, consult the Protecting our clients aged 60 and over section on nbc.ca and the Annual Report on the protection of seniors, available in the Social Responsibility section on nbc.ca.

For more information on the measures implemented by the Bank, consult our Environmental Policy in the Codes and Commitments section on nbc.ca.
Training and awareness-raising

Training sessions, some of which are mandatory, are made available throughout the year to teach employees about various human rights-related topics and highlight the mechanisms in place to report behaviour that goes against the Bank’s stated principles.

Employees, directors and officers must attest annually that they comply with the Code of Conduct and Ethics and regularly receive training on this subject. Employees can access diversity training sessions that will teach them about inclusive behaviours and how to create a work environment free of discrimination. By raising awareness of diversity, these sessions encourage employees to reflect on how they can build a more inclusive workplace. Through mandatory training on the prevention of workplace harassment and violence, employees learn to understand and detect harassment and violence in the workplace and discover ways to prevent and reduce it.

Employees must complete mandatory Environmental, Social and Governance (ESG) training to help them understand what ESG represents and how it ties into corporate social responsibility and sustainable development. This training also aims to help employees better understand how they can contribute to the Bank’s objectives. The Social component includes human rights.

Governance and monitoring

The Bank aims to be proactive in ensuring respect for human rights. The resources available to employees are highlighted in regular communications and on the Bank’s internal platforms. The goal is to ensure ongoing monitoring of the work environment. All employees should be able to easily get help or report a situation that goes against the Bank’s policies and practices. This is achieved by holding regular surveys and having human resources partners assigned to the various business sectors.

The Bank conducts regular monitoring on issues related to human rights, including discrimination, harassment, workplace violence and the protection of seniors and vulnerable people. For example, the Employee Ombudsman’s Office makes quarterly and annual reports to the Bank’s executives. The Office of the Ombudsman for Clients makes quarterly and annual reports to the Conduct Review and Corporate Governance Committee and the Risk Management Committee. It also presents an annual report to executives. The Conduct Review and Corporate Governance Committee receives an annual report on the application of the Code of Conduct and Ethics, including complaints of harassment, discrimination and violence in the workplace from employees. Quarterly reports on the results of employee surveys are presented to the Human Resources Committee.

The Human Resources Committee is mandated to ensure human resources management strategies and organizational culture are aligned with the Bank’s environmental, social and governance (ESG) practices and strategies. The Conduct Review and Corporate Governance Committee is responsible for keeping abreast of ESG best practices and overseeing the Bank’s strategy in this area. The Risk Management Committee is responsible for ensuring that the risk management framework takes ESG risks into account so that they can be adequately identified, monitored and integrated into existing risk management processes.

Reports and complaints

The Bank takes action in the event of non-compliance with its policies and practices and has reporting mechanisms and internal recourse measures in place for employees and third parties who wish to express their concerns confidentially, without risk of reprisals.

The Bank’s Code of Conduct and Ethics states that employees, officers and directors must report any behaviour that contravenes the Code or any of our other policies, permanent instructions, procedures and standards, including human rights violations. This obligation also applies to interns, contract employees, consultants, representatives, agents, mandataries and third parties, including suppliers, that have a business relationship with us.

Employees

Employees must report any infractions to their manager, their manager’s manager or one of the entities set out in the Code. To maintain anonymity, employees can communicate with the Employee Ombudsman’s Office. Reports will be kept confidential.
Clients
Clients can report any incident, including any occurrence of harassment, discrimination or violence involving an employee related to their business relationship with the Bank, via its various service channels.

The Office of the Ombudsman for Clients offers clients an independent and impartial recourse for complaints not settled to their satisfaction. Each file is reviewed confidentially in accordance with legislation, regulations and industry best practices.

Each year, the Office of the Ombudsman publishes data on the complaints handled over the past year. This information, as well as the Charter of the Office of the Ombudsman for Clients, is available in the Complaint settlement section on nbc.ca.

Penalties
In accordance with the Code of Conduct and Ethics, if the principles set out in this statement are violated, the Bank’s employees, officers and directors may be subject to corrective and disciplinary measures up to and including dismissal, in accordance with the Bank’s guidelines for corrective and disciplinary measures. Interns, contract employees, consultants, agents, mandataries or third parties, including suppliers, who fail to comply with the Code could have their contract cancelled or not renewed. In addition, certain breaches of the Code may result in legal proceedings against the individual.

Protection against reprisals
Any person who, in good faith, reports a real or potential breach of the principles set out in this statement will not be subjected to reprisals.