

MINUTES of the Annual Meeting of the Holders of Common Shares of NATIONAL BANK OF CANADA, held at The Fairmont Palliser, 133 9th Avenue SW, Calgary, Alberta, on Thursday, April 10, 2014 at 8:30 a.m. (the "Meeting")

Together with 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 Douville, Chairman of the Board, welcomed the shareholders. Jean Douville thanked the City of Calgary for its warm reception and went on to highlight the important economic role that the Bank has played in Alberta thanks to its employees' hard work and dedication, its clients' loyalty and its shareholders' confidence.

Jean Douville stated that, in accordance with the By-Law of the Bank, the Board had designated him to act as Chairman of the Meeting and Linda Caty, Vice-President and Corporate Secretary, to act 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 went on to say 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 2013 Annual Report and in Management's Discussion and Analysis for the first quarter of 2014, which were available on the Bank's website as well as the SEDAR website.

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 of 10 shareholders, present or represented by proxy, had been achieved, and declared the Meeting properly convened.

He reminded the shareholders that a copy of the Minutes of the previous annual meeting had been sent to them with the Management Proxy Circular (the "Circular"). He confirmed that the Minutes had been entered in the records of the Bank, as required by law, and that they were also available on the Bank's and SEDAR's websites.

ADDRESS BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER ⁽¹⁾

Louis Vachon welcomed the shareholders to the Meeting. He pointed out that the Bank had been present in Alberta since the 1970s and introduced the members of the Office of the President.

He began his address by underscoring that the Bank was well established in Alberta and offered a full range of banking services in the Financial Markets, Wealth Management and Personal and Commercial Banking sectors.

He mentioned the Bank's commitments across Canada, particularly in Western Canada, as evidenced by its numerous philanthropic partnerships in education, youth and community outreach initiatives. He also discussed the *One for Youth* program, the support for Alberta's flood victims and the Bank's program to encourage volunteerism among employees. He called attention to the Bank's active contribution to the economic and social vitality of the region and referred to the acquisitions of Bieber Securities Inc., Wellington West Holdings Inc., the full-service investment advisory business of HSBC Securities (Canada) Inc. and TD Waterhouse Institutional Services.

Louis Vachon stated how proud he was of the Bank's excellent financial performance and recapped some financial results for fiscal 2013, including record net income, diluted earnings per share and the strong performance of the three main business segments. He highlighted the Bank's financial strength and the fact that it had been recognized for a third consecutive year in the rankings of *Bloomberg Markets* magazine. Moreover, he recalled that the Bank's common share price had reached a record high in 2013, which had led to a stock split in the form of a stock dividend in February 2014.

He pointed out that the Bank was continuing to strengthen its presence from coast to coast, contribute to economic development and support entrepreneurship.

Louis Vachon expressed pride in the Bank's human resources practices and its leadership in increasing the number of women in executive positions. He then recapped the distinctions earned by the Bank as one of the best employers in Canada.

He presented the Bank's strategic orientations, namely, to provide a distinctive client experience, continue to be a "super-regional plus" bank and increase its partnerships, and then listed some of the Bank's investments in technology, such as its new credit origination platform and the modernization of its ABM network, slated for 2015.

Louis Vachon concluded his address by highlighting the Bank's targeted international expansion, primarily in Hong Kong, the United States, Brazil, Spain and Colombia, and added that the Bank had delivered an excellent performance in 2013.

In closing, he thanked the Bank's Board of Directors, management team, shareholders, employees, and partners who, year after year, contribute to the Bank's success. He also thanked Jean Douville and Paul Gobeil who, after serving for many years, would not be seeking to renew their mandates as directors.

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

The Chairman of the Meeting declared having received the consolidated financial statements of the Bank for the fiscal year ended October 31, 2013 and the independent auditor's report thereon.

REVIEW OF GENERAL PRACTICES GOVERNING VOTING

Linda Caty reviewed the general voting procedure and indicated that a summary of these rules could be found in the code of procedure, which had been distributed before the Meeting. She explained that a proposal had to be included in the Circular for it to be presented and voted upon at the Meeting. She 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' reports were presented to the Chairman of the Meeting. She added that a report on the voting results would be available on the Bank's and SEDAR's websites, and that a press release summarizing the results would be issued after the Meeting.

PRESENTATION OF MANAGEMENT PROPOSALS ⁽²⁾

Election of directors

The Chairman of the Meeting stated that, in accordance with a resolution adopted by the Board, the number of directors to be elected was 15.

Linda Caty named the nominees standing for election as directors: Maryse Bertrand, Lawrence S. Bloomberg, Pierre Boivin, André Caillé, Gérard Coulombe, Bernard Cyr, Gillian H. Denham, Richard Fortin, Jean Houde, Louise Laflamme, Julie Payette, Roseann Runte, Lino A. Saputo, Jr., Pierre Thabet and Louis Vachon. Darrell Stelmack, a shareholder of the Bank, moved that each of these nominees be proposed for election until the close of the subsequent annual meeting or sooner if he or she leaves his or her position, and Linda Seyler, a shareholder of the Bank, seconded the motion.

The Chairman of the Meeting invited the holders of common shares to vote on management's first proposal.

Advisory vote on the Board's approach to executive compensation

The Chairman of the Meeting indicated that, in 2013, the Board, supported by the Human Resources Committee, had continued to review its governance practices regarding executive compensation. He thanked the members of the Human Resources Committee of the Bank for their work on this matter.

Michael Rachiele, 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 disclosed in the Bank's Circular delivered in advance of the Meeting. Brian Fortier, a shareholder of the Bank, seconded the motion.

The Chairman of the Meeting invited the holders of common shares to vote on management's second proposal.

Daniel Thouin, a representative and proxyholder of *Mouvement d'éducation et de défense des actionnaires* ("MÉDAC"), commented on executive compensation

⁽¹⁾ 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.

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

and proposed changing the peer group used by the Bank to establish the value of executive compensation. Mr. Douville thanked Mr. Thouin for his comment.

Appointment of the independent auditor

Linda Seyler, 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 on November 1, 2013 and ending on October 31, 2014. Murray D'Angelo, a shareholder of the Bank, seconded the motion.

The Chairman of the Meeting invited the holders of common shares to vote on management's third proposal.

PRESENTATION OF SHAREHOLDER PROPOSALS ⁽³⁾

The Chairman of the Meeting indicated to the shareholders that the Bank had received, by the prescribed deadline, proposals from one shareholder, MÉDAC. These proposals had been included in the Circular for presentation at the Meeting.

Before proceeding with the presentation, discussion and voting on the shareholder proposals, the Chairman of the Meeting outlined certain guidelines to be followed. He also referred the shareholders to the Circular for the Bank's position on these proposals.

The Chairman of the Meeting invited the representative of MÉDAC to present the proposals submitted by MÉDAC.

Before the presentation of shareholder proposals, Daniel Thouin, a representative and proxyholder of MÉDAC, explained that given the Bank's efforts in pension plan administration, MÉDAC had withdrawn its proposal concerning pension plans and transparency.

First shareholder proposal

Daniel Thouin presented the first shareholder proposal on gradually eliminating stock options as a form of compensation.

Second shareholder proposal

Daniel Thouin presented the second shareholder proposal concerning disclosure of actions undertaken by the Bank following a significant vote against the senior executive compensation policy.

Third shareholder proposal

Daniel Thouin presented the third shareholder proposal concerning feedback following the re-election of certain directors.

The Chairman of the Meeting invited the holders of common shares to vote on the three shareholder proposals.

QUESTION PERIOD

The Chairman of the Meeting outlined the rules applicable to this portion of the Meeting and gave the floor over to Louis Vachon for the question period, which dealt with the following topics:

- the effect of Basel III on share buybacks and dividend growth;
- the price of the Bank's common shares;
- stock options as an executive compensation tool;
- the state of Canada's real estate market;
- the effect of higher interest rates on earnings;
- the impact of investments by Canada's six largest banks on their risk management; and
- acclaim for Mr. Vachon and his team.

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:

Management proposals

Election of directors

The Chairman of the Meeting announced that all the nominees for the position of director had been elected with at least 96.32% of the votes cast.

Advisory vote on the Board's approach to executive compensation

The Chairman of the Meeting announced that 95.34% of the votes had been cast **FOR** this proposal.

Appointment of the independent auditor

The Chairman of the Meeting announced that 99.20% of the votes had been cast **FOR** this proposal.

Shareholder proposals

First shareholder proposal

The Chairman of the Meeting announced that 94.71% of the votes had been cast **AGAINST** this proposal.

Second shareholder proposal

The Chairman of the Meeting announced that 97.10% of the votes had been cast **AGAINST** this proposal.

Third shareholder proposal

The Chairman of the Meeting announced that 96.37% of the votes had been cast **AGAINST** this proposal.

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 Douville
Chairman

(s) Linda Caty
Secretary

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