

**MINUTES** of the Annual Meeting of the Holders of Common Shares of NATIONAL BANK OF CANADA, held at 600 De La Gauchetière Street West, 4th Floor, Montreal, Quebec on April 21, 2017 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 Business of the Meeting and the Code of Procedure included in the Management Proxy Circular (the "Circular"). He also pointed out that the Bank had chosen to use notice-and-access procedures by promoting the electronic version of its Circular, which is both cost effective and environmentally friendly.

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 2016 Annual Report and in Management's Discussion and Analysis for the first quarter of 2017, 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 presented the main challenges facing the Bank and the five resulting priorities, namely, cultural shift and commitment to clients, the bank built on simplicity and efficiency, the bank of entrepreneurs, the digital bank and the bank for savings. He pointed out the Bank's recent technological and international investments as well as the impact on its stakeholders. He concluded by discussing the economic outlook for 2017 and 2018.

#### **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, 2016 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 stated that, in accordance with a resolution adopted by the Board, the number of directors to be elected was 14.

Stéphanie Ruel, a Bank shareholder, listed the director nominees: Jean Houde, Raymond Bachand, Maryse Bertrand, Pierre Blouin, 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 2016, 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.

Mélanie Vigué-Bilodeau, a Bank shareholder, moved that, on an advisory basis and not to diminish the role and responsibilities of the Board, the 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 made a motion to vote 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

Myriam Tsaousakis, a Bank shareholder, 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, 2016 and ending October 31, 2017.

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

##### Increase the quorum for all shareholders' meetings

Stéphanie Ruel, a Bank shareholder, moved that By-Law I of the Bank be amended to increase the quorum for all meetings of the Bank's shareholders, as described in the Circular.

Willie Gagnon, a representative and proxyholder of MÉDAC, commented on the amendment to the quorum for all shareholders' meetings. The Secretary of the Meeting gave additional explanations. 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.

##### Replenishment of the share reserve for the Bank's Stock Option Plan

The Chairman of the Meeting explained to the shareholders that the purpose of the amendment to the Stock Option Plan of the Bank (the "Plan") was to partially replenish the number of Common Shares of the Bank reserved for issuance upon the exercise of stock options under the Plan, as described in the Circular.

Mélanie Vigué-Bilodeau, a Bank shareholder, moved that the share reserve for the Plan be partially replenished.

Willie Gagnon, a representative and proxyholder of MÉDAC, made a motion to vote against this proposal.

<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.

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, not to submit these proposals to a shareholder vote.

#### **QUESTION PERIOD**

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

- The American registered retirement income fund (RRIF);
- The digital economy as well as employee training and engagement;
- The notice-and-access procedures and obtaining a printed copy of the Circular;
- The shareholder proposal on tax havens made by MÉDAC to other banks; and
- Bill C-29 that creates a new protection plan for consumer relations with banks.

#### **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

Each of the director nominees had been elected with at least 98% of the votes cast.

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

More than 91% of the votes had been cast for this proposal.

##### Appointment of the independent auditor

More than 98% of the votes had been cast for this proposal.

##### Increase the quorum for all shareholders' meetings

More than 99% of the votes had been cast for this proposal.

##### Replenishment of the share reserve for the Bank's Stock Option Plan

More than 87% of the votes had been cast 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

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