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This pricing supplement, together with the prospectus supplement and the short form base shelf prospectus to which it relates, as amended or supplemented, and each document deemed to be incorporated by reference therein, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been, and will not be, registered under the Securities Act of 1933 of the United States of America, as amended, or under any state securities laws and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly, in the United States of America, its territories or possessions, or for the account or benefit of U.S. persons. See “Plan of Distribution”.

Information has been incorporated by reference in this pricing supplement, the prospectus supplement and the short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Reference is made to “Documents Incorporated by Reference”. Copies of the documents incorporated herein or therein by reference may be obtained on request without charge from Investor Relations, National Bank of Canada, National Bank Tower, 600 de La Gauchetière Street West, 4th Floor, Montréal, Québec H3B 4L2, (1-866-517-5455) and are also available electronically at www.sedarplus.ca.



NATIONAL BANK OF CANADA

(a Canadian chartered bank)

Pricing Supplement No.: 1
Date: January 29, 2024

(to the short form base shelf prospectus of National Bank of Canada (the “**Bank**”) dated August 22, 2022 as supplemented by the prospectus supplement of the Bank dated January 29, 2024 (the “**Prospectus Supplement**” and collectively, the “**Prospectus**”).

\$500,000,000

5.279%

MEDIUM TERM NOTES DUE FEBRUARY 15, 2034

(Non-Viability Contingent Capital (NVCC))

(subordinated indebtedness)

The 5.279% medium term notes due February 15, 2034 (Non-Viability Contingent Capital (NVCC)) will be issued under a trust indenture (the “**Trust Indenture**”) dated as of January 29, 2018 between the Bank and Computershare Trust Company of Canada, as trustee (the “**Trustee**”) as supplemented by a supplemental trust indenture (the “**Supplemental Indenture**”) to be dated on or about February 5, 2024 between the Bank and the Trustee (together, the “**Indenture**”). A copy of the Indenture may be obtained on request without charge from the Investor Relations, National Bank of Canada, National Bank Tower, 600 de La Gauchetière Street West, 4th Floor, Montréal, Québec, H3B 4L2, (1-866-517-5455). A copy of the Trust Indenture is available, and a copy of the Supplemental Indenture will be available following the closing of the offering, electronically at www.sedarplus.ca.

Designation:	5.279% Medium Term Notes due February 15, 2034 (Non-Viability Contingent Capital (NVCC)) (the “ Notes ”)
ISIN/CUSIP No.:	CA63309ZNM63 / 63309ZNM6
Principal Amount:	\$500,000,000
Commission:	0.35%
Issue Price:	\$999.980

Net Proceeds to the Bank:	\$498,240,000
Currency:	Canadian
Issue Date:	February 5, 2024
Delivery Date:	February 5, 2024
Interest Reset Date	February 15, 2029
Maturity Date:	February 15, 2034
Specified Denominations:	\$1,000 and integral multiples thereof
Interest Rate:	Interest on the Notes at the rate of 5.279% per annum will accrue from February 5, 2024, and will be payable in equal semi-annual payments in arrears on each Interest Rate Payment Date, commencing August 15, 2024 (long first coupon of \$27.8413013699 per \$1,000) until February 15, 2029. On and after February 15, 2029, if not redeemed by the Bank, interest on the Notes will be payable at the Daily Compounded CORRA (as defined below) determined for the Observation Period plus 1.80% payable quarterly in arrears on each Interest Rate Payment Date commencing May 15, 2029 and ending on the Maturity Date.

“**Daily Compounded CORRA**” means, for an Observation Period, the rate calculated as follows, with the resulting percentage rounded if necessary to the fifth decimal place, with 0.000005% being rounded upwards and (-) 0.000005% being rounded downwards:

$$\text{Daily Compounded CORRA} = \left(\frac{\text{CORRA Compounded Index}_{\text{end}}}{\text{CORRA Compounded Index}_{\text{start}}} - 1 \right) \times \left(\frac{365}{d} \right)$$

Where:

- “**CORRA Compounded Index_{start}**” is equal to the CORRA Compounded Index value on the date that is two Bank of Canada Business Days preceding the first date of the relevant Floating Interest Period;
- “**CORRA Compounded Index_{end}**” is equal to the CORRA Compounded Index value on the date that is two Bank of Canada Business Days preceding the Interest Rate Payment Date relating to such Floating Interest Period (or, in the case of the final Interest Rate Payment Date, the Maturity Date, or if the Notes are redeemed prior to the Maturity Date, the date of redemption of such Notes, as applicable); and
- “**d**” is the number of calendar days in the relevant Observation Period.

“**Floating Interest Period**” means the period from, and including, each Interest Rate Payment Date commencing on the Interest Reset Date to, but excluding, the next succeeding Interest Rate Payment Date or in the case of the final Interest Rate Payment Date, the Maturity Date or, if Notes are redeemed prior to the Maturity Date, the date of redemption of such Notes, as applicable.

“**Observation Period**” means in respect of each Floating Interest Period, the period from, and including, the date that is two Bank of Canada Business Days preceding the first date in such Floating Interest Period to, but excluding, the

date that is two Bank of Canada Business Days preceding the Interest Rate Payment Date or, in the case of the final Interest Rate Payment Date, the Maturity Date or, if Notes are redeemed prior to the Maturity Date, the date of redemption of such Notes, as applicable.

Business Day Convention

If any Interest Rate Payment Date on or before the Interest Reset Date would otherwise fall on a day that is not a Business Day, then the Interest Rate Payment Date will be the next day that is a Business Day, and no additional interest will accrue in respect of the payment made on that next succeeding Business Day.

If any Interest Rate Payment Date after the Interest Reset Date would otherwise fall on a day that is not a Bank of Canada Business Day, then the Interest Rate Payment Date will be the next day that is a Bank of Canada Business Day, unless the next Bank of Canada Business Day falls in the next calendar month, in which case the Interest Rate Payment Date will instead be the immediately preceding day that is a Bank of Canada Business Day.

If the Maturity Date falls on a day that is not a Bank of Canada Business Day, the required payment of principal and interest will be made on the next succeeding Bank of Canada Business Day.

Floating Interest Rate Fallback

Temporary Non-Publication of CORRA Compounded Index

If, on or after the Interest Reset Date (i) the CORRA Compounded Index_{start} or the CORRA Compounded Index_{end} is not published or displayed by the Reference Rate Administrator or an authorized distributor by 11:30 a.m. Toronto time (or an amended publication time, if any, as specified in the Reference Rate Administrator's methodology for calculating the CORRA Compounded Index) on the Interest Determination Date for such Floating Interest Period, but an Index Cessation Effective Date with respect to the CORRA Compounded Index has not occurred, or (ii) an Index Cessation Effective Date with respect to the CORRA Compounded Index has occurred, then Daily Compounded CORRA will be calculated by the Calculation Agent as follows, with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005% being rounded upwards and (-) 0.000005% being rounded downwards:

$$\text{Daily Compounded CORRA} = \left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{CORRA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

Where:

- “d₀” for any Observation Period is the number of Bank of Canada Business Days in the relevant Observation Period;
- “i” is a series of whole numbers from one to d₀, each representing the relevant Bank of Canada Business Day in chronological order from, and including, the first Bank of Canada Business Day in the relevant Observation Period;
- “CORRA_i” means, in respect of any Bank of Canada Business Day “i” in the relevant Observation Period, a reference rate equal to the daily CORRA rate for that day, as published or displayed by the

Reference Rate Administrator or an authorized distributor at 11:00 a.m. Toronto time (or an amended publication time, if any, as specified in the Reference Rate Administrator's methodology for calculating CORRA) on the immediately following Bank of Canada Business Day, which is Bank of Canada Business Day "i" + 1;

- "n_i" for any Bank of Canada Business Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such Bank of Canada Business Day "i" to, but excluding, the following Bank of Canada Business Day, which is Bank of Canada Business Day "i" + 1; and
- "d" is the number of calendar days in the relevant Observation Period.

Temporary Non-Publication of CORRA

If neither the Reference Rate Administrator nor authorized distributors provide or publish CORRA, and an Index Cessation Effective Date with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

Effect of an Index Cessation Event with respect to CORRA

If an Index Cessation Effective Date occurs with respect to CORRA, the Trust Indenture will provide that the interest rate for an Interest Determination Date which occurs on or after such Index Cessation Effective Date will be the CAD Recommended Rate, to which the Calculation Agent will apply the most recently published spread and make such adjustments as are necessary to account for any difference in the term, structure or tenor of the CAD Recommended Rate in comparison to CORRA.

If there is a CAD Recommended Rate before the end of the first Bank of Canada Business Day following the Index Cessation Effective Date with respect to CORRA but neither the Reference Rate Administrator nor authorized distributors provide or publish the CAD Recommended Rate and an Index Cessation Effective Date with respect to the CAD Recommended Rate has not occurred, then, in respect of any day for which the CAD Recommended Rate is required, references to the CAD Recommended Rate will be deemed to be references to the last provided or published CAD Recommended Rate.

If: (i) there is no CAD Recommended Rate before the end of the first Bank of Canada Business Day following the Index Cessation Effective Date with respect to CORRA; or (ii) there is a CAD Recommended Rate and an Index Cessation Effective Date subsequently occurs with respect to the CAD Recommended Rate, the Trust Indenture will provide that the interest rate for an Interest Determination Date which occurs on or after such applicable Index Cessation Effective Date will be the BOC Target Rate, to which the Calculation Agent will apply the most recently published spread and make such adjustments as are necessary to account for any difference in the term, structure or tenor of the BOC Target Rate in comparison to CORRA.

In respect of any day for which the BOC Target Rate is required, references to the BOC Target Rate will be deemed to be references to the last provided or published BOC Target Rate as of the close of business in Toronto on that day.

In connection with the implementation of an Applicable Rate, the Calculation Agent may, in consultation with the Bank, make such adjustments to the Applicable Rate or the spread thereon, if any, as well as the business day convention (including the Business Day Convention), the calendar day count convention, Interest Determination Dates, and related provisions and definitions (including the observation dates for reference rates), in each case as

are consistent with accepted market practice for the use of the Applicable Rate for debt obligations such as the Notes in such circumstances.

Any determination, decision or election that may be made by the Bank or the Calculation Agent, as applicable, in relation to the Applicable Rate, including any determination with respect to an adjustment or the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection: (i) will be conclusive and binding for all purposes absent manifest error; (ii) if made by the Bank, will be made in the sole discretion of the Bank, or, as applicable, if made by the Calculation Agent will be made after consultation with the Bank and the Calculation Agent will not make any such determination, decision or election to which the Bank objects and will have no liability for not making any such determination, decision or election; and (iii) shall become effective without consent from the holders of the Notes or any other party.

“**Applicable Rate**” means one of the CORRA Compounded Index, CORRA, the CAD Recommended Rate, or the BOC Target Rate, as applicable.

“**Bank of Canada Business Day**” means a day that Schedule I banks under the *Bank Act* (Canada) are open for business in Toronto, Ontario, Canada, other than a Saturday or a Sunday or a public holiday in Toronto (or such revised regular publication calendar for an Applicable Rate as may be adopted by the Reference Rate Administrator from time to time).

“**BOC Target Rate**” means the Bank of Canada’s target for the overnight rate as set by the Bank of Canada and published on the Bank of Canada’s website.

“**Business Day**” means any day other than a Saturday or Sunday on which banks generally are open for business in the City of Montreal and the City of Toronto.

“**CAD Recommended Rate**” means the rate (inclusive of any spreads or adjustments) recommended as the replacement for CORRA by a committee officially endorsed or convened by the Bank of Canada for the purpose of recommending a replacement for CORRA (which rate may be produced by the Bank of Canada or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorized distributor.

“**Calculation Agent**” means a third party trustee or financial institution of national standing with experience providing such services (which may be an affiliate of the Bank), which has been selected by the Bank.

“**CORRA**” means the Canadian Overnight Repo Rate Average, as published by the Bank of Canada, as the administrator of CORRA (or any successor Reference Rate Administrator) on the website of the Bank of Canada or any successor website.

“**CORRA Compounded Index**” means the measure of the cumulative impact of CORRA compounding over time administered and published by the Bank of Canada (or any successor Reference Rate Administrator).

“**Index Cessation Effective Date**” means, in respect of an Index Cessation Event, the first date on which the Applicable Rate is no longer provided. If the Applicable Rate ceases to be provided on the same day that it is required to determine the rate for an Interest Determination Date but it was provided at the time at which it is to be observed (or, if no such time is specified, at the time at which it is ordinarily published), then the Index Cessation Effective Date will be the next day on which the rate would ordinarily have been published.

“**Index Cessation Event**” means:

- (A) a public statement or publication of information by or on behalf of the Reference Rate Administrator or provider of the Applicable Rate announcing that it has ceased or will cease to provide the Applicable Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor Reference Rate Administrator or provider of the Applicable Rate that will continue to provide the Applicable Rate; or
- (B) a public statement or publication of information by the regulatory supervisor for the Reference Rate Administrator or provider of the Applicable Rate, the Bank of Canada, an insolvency official with jurisdiction over the Reference Rate Administrator or provider of the Applicable Rate, a resolution authority with jurisdiction over the Reference Rate Administrator or provider of the Applicable Rate or a court or an entity with similar insolvency or resolution authority over the Reference Rate Administrator or provider of the Applicable Rate, which states that the Reference Rate Administrator or provider of the Applicable Rate has ceased or will cease to provide the Applicable Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor Reference Rate Administrator or provider of the Applicable Rate that will continue to provide the Applicable Rate.

“Interest Determination Date” means, in respect of a Floating Interest Period, the date that is two Bank of Canada Business Days preceding each Interest Rate Payment Date, or, in the case of the final Floating Interest Period, preceding the Maturity Date, or, if applicable, preceding the date of redemption of any Notes.

“Reference Rate Administrator” means the Bank of Canada or any successor administrator for CORRA and/or the CORRA Compounded Index or the administrator (or its successor) of another Applicable Rate, as applicable.

Yield: **The effective yield of the Notes, if held to February 15, 2029, will be 5.279%. Thereafter the effective yield will fluctuate with the applicable Daily Compounded CORRA.**

Interest Rate Payment Dates: February 15 and August 15 of each year, commencing August 15, 2024, until February 15, 2029; thereafter, if not redeemed by the Bank, on the 15th day of February, May, August and November in each year, commencing May 15, 2029 and ending on the Maturity Date.

Form of Notes: The Notes will be issued in book-entry only form. A global certificate representing the Notes will be issued in registered form only in the name of CDS and will be deposited with CDS on closing of the offering.

Redemption Provisions: Subject to the provisions of the *Bank Act* (Canada) and the prior approval of the Superintendent of Financial Institutions (Canada) (the “**Superintendent**”), on February 15, 2029 or after, the Bank may, at its option, redeem the Notes in whole or in part at any time on not less than 10 nor more than 60 days’ prior notice to the registered holders of the Notes, at a redemption price which is equal to the outstanding principal amount, plus accrued and unpaid interest to, but excluding, the date fixed for redemption. In cases of a partial redemption of the Notes, the Notes to be redeemed will be selected by lot or in such other manner as the Trustee may deem equitable. See “Risk Factors”.

At any time on or after a Special Event Redemption Date prior to February 15, 2029, the Bank may, at its option, with the prior approval of the Superintendent, on giving not less than 10 nor more than 60 days' prior notice to the registered holders of Notes, redeem all (but not less than all) of the Notes at a redemption price that is equal to the greater of: (i) the Canada Yield Price and (ii) the outstanding principal amount, together in either case, with accrued and unpaid interest to, but excluding, the date fixed for redemption.

Any portion of the Notes redeemed by the Bank shall be cancelled and may not be reissued.

"Canada Yield Price" means a price equal to the price for the Notes to be redeemed, calculated on the Business Day immediately preceding the date on which the Bank gives notice of the redemption of the Notes, to provide an annual yield thereon from the date fixed for redemption to, but excluding, February 15, 2029 equal to the GOC Redemption Yield (as defined below) plus 0.45%.

"GOC Redemption Yield" means, on any date, the arithmetic average of the interest rates quoted to the Bank by two registered Canadian investment dealers selected by the Bank, and approved by the Trustee, as being the annual yield to maturity on such date, compounded semi-annually, which a non-callable Government of Canada bond would carry, if issued in Canadian dollars in Canada at 100% of its principal amount on the date of redemption with a maturity date of February 15, 2029.

"Regulatory Event Date" means the date specified in a letter from the Superintendent to the Bank on which the Notes will no longer be recognized in full as eligible "Tier 2 Capital" or will no longer be eligible to be included in full as risk-based "Total Capital" on a consolidated basis under the guidelines for capital adequacy requirements for banks as interpreted by the Superintendent.

"Special Event Redemption Date" means a Regulatory Event Date or the date of the occurrence of a Tax Event, as the case may be.

"Tax Event" means the Bank has received an opinion of independent counsel of a nationally recognized law firm in Canada experienced in such matters (who may be counsel to the Bank) to the effect that, as a result of: (a) any amendment to, clarification of, or change (including any announced prospective change) in, the laws, or any regulations thereunder, or any application or interpretation thereof, of Canada or any political subdivision or taxing authority thereof or therein, affecting taxation; (b) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (collectively, an "administrative action"); or (c) any amendment to, clarification of, or change in, the official position with respect to or the interpretation of any administrative action or any interpretation or pronouncement that provides for a position with respect to such administrative action that differs from the theretofore generally accepted position, in each of case (a), (b) or (c), by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which such amendment, clarification, change, administrative action, interpretation or pronouncement is made known, which amendment, clarification, change or administrative action is effective or which interpretation, pronouncement or administrative action is announced on or after the date of issue of the Notes, there is more than an insubstantial risk (assuming

any proposed or announced amendment, clarification, change, interpretation, pronouncement or administrative action is effective and applicable) that the Bank is, or may be, subject to more than a de minimus amount of additional taxes, duties or other governmental charges or civil liabilities because the treatment of any of its items of income, taxable income, expense, taxable capital or taxable paid-up capital with respect to the Notes (including the treatment by the Bank of interest on the Notes) or the treatment of the Notes, as or as would be reflected in any tax return or form filed, to be filed, or otherwise could have been filed, will not be respected by a taxing authority.

Conversion Option:

On any Interest Rate Payment Date, a holder of the Notes may, but only upon notice from the Bank, which may be given from time to time only with the prior approval of the Superintendent and other required regulatory approvals, convert all, but not less than all, of the Notes held by such holder on the date specified in the notice into an equal aggregate principal amount of subordinated indebtedness issued by the Bank, which qualifies as regulatory capital. If given, such notice from the Bank shall be given not less than 30 days, nor more than 60 days prior to the date fixed for the conversion.

NVCC Automatic
Conversion:

Upon the occurrence of a Trigger Event (as defined in the Prospectus Supplement), each outstanding Note will be, and will be deemed, for all purposes, to be, automatically converted (an “**NVCC Automatic Conversion**”) without the consent of the holder thereof, into that number of fully-paid Common Shares determined by dividing (a) the product of the Multiplier and the Note Value, by (b) the Conversion Price. In any case where the aggregate number of Common Shares to be issued to a holder of Notes pursuant to an NVCC Automatic Conversion includes a fraction of a Common Share, such number of Common Shares to be issued to such holder shall be rounded down to the nearest whole number of Common Shares and no cash payment shall be made in lieu of such fractional Common Share.

Investors should therefore carefully consider the disclosure with respect to the Bank, the Notes, the Common Shares and the consequences of a Trigger Event included and incorporated by reference in this Pricing Supplement.

As promptly as practicable after the occurrence of a Trigger Event, the Bank shall announce the NVCC Automatic Conversion by way of a press release and shall give notice of the NVCC Automatic Conversion to the then registered holders of the Notes. From and after the Trigger Event, the Notes shall cease to be outstanding, the holders of the Notes shall cease to be entitled to interest on such Notes, including any accrued but unpaid interest as of the date of the NVCC Automatic Conversion, and any Notes shall represent only the right to receive upon surrender of such Note the applicable number of Common Shares described above. An NVCC Automatic Conversion shall be mandatory and binding upon both the Bank and all holders of the Notes notwithstanding anything else including: (a) any prior action to or in furtherance of redeeming, exchanging or converting the Notes pursuant to the other terms and conditions of the Indenture; and (b) any delay in or impediment to the issuance or delivery of the Common Shares to the holders of the Notes. See “Risk Factors” for a discussion of the circumstances that may result in a Trigger Event and the consequences of a Trigger Event to a holder of Notes.

The Floor Price is subject to adjustment in the event of (a) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all holders of Common Shares as a stock dividend, (b) the subdivision, redivision or change of the Common Shares into a greater number

of Common Shares, or (c) the reduction, combination or consolidation of the Common Shares into a smaller number of Common Shares.

No adjustment of the Floor Price will be required unless the cumulative effect of such adjustment would result in a change of at least 1% of the Floor Price in the prevailing Floor Price, provided, however, that in such case any adjustment that would otherwise be required then to be made will be carried forward and will be made at the time of and together with the next subsequent adjustment which, together with any adjustment so carried forward, will amount to at least 1% of the Floor Price.

In the event of a capital reorganization, consolidation, merger or amalgamation of the Bank or comparable transaction affecting the Common Shares, the Bank shall take necessary action to ensure that the holders of Notes receive, pursuant to an NVCC Automatic Conversion, after such capital reorganization, consolidation, merger, amalgamation or comparable transaction, the number of shares or other securities that the holders of Notes would have received if the NVCC Automatic Conversion occurred immediately prior to the record date of the capital reorganization, consolidation, merger, amalgamation or comparable transaction.

Notwithstanding any other provision of the Notes, an NVCC Automatic Conversion of such notes shall not be an event of default and the only consequence of a Trigger Event under the provisions of such notes will be the conversion of such notes into Common Shares.

“Conversion Price” means the greater of the Current Market Price and the Floor Price.

“Current Market Price” means the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (“TSX”), if such shares are then listed on the TSX, for the 10 consecutive Trading Days ending on the Trading Day preceding the date of the Trigger Event. If the Common Shares are not then listed on the TSX, for the purpose of the foregoing calculation reference shall be made to the principal securities exchange or market on which the Common Shares are then listed or quoted or, if no such trading prices are available, “Current Market Price” shall be the fair value of the Common Shares as reasonably determined by the Board of Directors of the Bank.

“Floor Price” means \$5.00, as such price may be adjusted.

“Multiplier” means 1.5.

“Note Value” means the principal amount of the Note plus accrued and unpaid interest thereon as of the date of the Trigger Event.

“Trading Day” means, with respect to any stock exchange or market, a day on which shares may be traded through the facilities of that stock exchange or in that market.

Ineligible Persons,
Significant Shareholders
and Ineligible Government
Holders:

Upon an NVCC Automatic Conversion, the Bank reserves the right not to (i) deliver some or all, as applicable, of the Common Shares to any person whom the Bank or its transfer agent has reason to believe is an Ineligible Person or any person who, by virtue of the NVCC Automatic Conversion, would become a Significant Shareholder or (ii) record in its securities register a transfer or issue of Common Shares to any person whom the Bank or its transfer agent has reason to believe is an Ineligible Government Holder based on a declaration

submitted to the Bank or its transfer agent by or on behalf of such person. In such circumstances, the Bank will hold, as agent of such persons, the Common Shares that would have otherwise been delivered to such persons and will attempt to facilitate the sale of such Common Shares to parties other than the Bank and its affiliates on behalf of such persons through a registered dealer to be retained by the Bank on behalf of such persons. Those sales (if any) may be made at any time and at any price. The Bank will not be subject to any liability for failure to sell such Common Shares on behalf of such persons or at any particular price on any particular day. The net proceeds received by the Bank from the sale of such Common Shares will be divided among the applicable persons in proportion to the number of Common Shares that would otherwise have been delivered to them upon the NVCC Automatic Conversion after deducting the costs of sale and any applicable withholding taxes.

“Ineligible Government Holder” means any person who is the federal or a provincial government in Canada or agent or agency thereof, or the government of a foreign country or any political subdivision of a foreign country, or any agent or agency of a foreign government, in each case to the extent that the recording in the Bank’s securities register of a transfer or issue of any share of the Bank to such person would cause the Bank to contravene the *Bank Act* (Canada).

“Ineligible Person” means any person whose address is in, or whom the Bank or the Trustee has reason to believe is a resident of, any jurisdiction outside of Canada to the extent that the issuance or delivery by the Bank to such person, upon an NVCC Automatic Conversion, of Common Shares (i) would require the Bank to take any action to comply with securities, banking or analogous laws of such jurisdiction, or (ii) would cause the Bank to be in violation of any law to which the Bank is subject.

“Significant Shareholder” means any person who beneficially owns, directly or indirectly, through entities controlled by such person or persons associated with or acting jointly or in concert with such person (as determined in accordance with the *Bank Act* (Canada)), shares of any class of the Bank in excess of 10% of the total number of outstanding shares of that class in contravention of the *Bank Act* (Canada).

Status and Subordination:

In the absence of an NVCC Automatic Conversion, the Notes will be direct unsecured subordinated indebtedness of the Bank ranking equally and rateably with all other subordinated indebtedness of the Bank from time to time issued and outstanding (other than subordinated indebtedness which has been further subordinated in accordance with its terms).

Following an NVCC Automatic Conversion, holders of the Notes immediately prior to the NVCC Automatic Conversion will receive Common Shares in exchange for the Notes and such Common Shares will rank equally with all other common shares. See “NVCC Automatic Conversion”.

The Notes will not be deposits insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon the insolvency of a deposit taking institution.

The terms of the Notes do not contain any restriction on the Bank’s ability to incur additional indebtedness that ranks senior to the Notes.

Events of Default:	<p>An event of default will occur only if the Bank becomes insolvent or bankrupt or resolves to wind-up or liquidate or is ordered wound-up or liquidated. An NVCC Automatic Conversion upon the occurrence of a Trigger Event does not constitute an event of default with respect to the Notes.</p> <p>If a Trigger Event occurs, the event of default provisions described in the paragraph above will not be relevant to holders of the Notes since all Notes will have been converted into Common Shares which will rank equally with all other Common Shares of the Bank.</p> <p>At any time prior to a Trigger Event, if an event of default has occurred and is continuing, the Trustee may, in its discretion and shall, upon the request of holders of not less than 25% in principal amount of the Notes then outstanding, declare the principal of and interest on all outstanding Notes to be immediately due and payable.</p> <p>There will be no right of acceleration in the case of a default in the payment of interest or a default in the performance of any other covenant of the Bank in the Trust Indenture, although a legal action could be brought to enforce such covenant.</p>
Use of Proceeds:	<p>The proceeds to the Bank from the sale of the Notes will be added to the Bank's general funds and will be utilized for general banking purposes.</p>
Purchase for Cancellation:	<p>The Bank may, at its option and at any time, with the prior approval of the Superintendent and subject to any applicable law, purchase the Notes in the market or by tender (available to all holders of Notes) or by private contract at any price. All Notes purchased by the Bank shall be cancelled and may not be reissued.</p>
Ratings (Expected):	<p>DBRS Limited ("Morningstar DBRS"), "A (low)" Moody's Investors Service, Inc. ("Moody's"), "Baa2 (hyb)" Standard & Poor's Ratings Services ("S&P"), "BBB"</p>

The "A (low)" rating expected to be assigned to the Notes by Morningstar DBRS is the 3rd highest of Morningstar DBRS' ten rating categories for long term debt obligations, which range from AAA to D. Morningstar DBRS uses "high" and "low" designations to indicate the relative strength of the securities being rated within a particular rating category. The "Baa2 (hyb)" rating expected to be assigned to the Notes by Moody's is the 4th highest of nine categories used by Moody's, which range from AAA to C. The modifier 2 indicates that the obligation ranks in the mid-range of the applicable rating category. A "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms. S&P has ten rating categories, ranging from AAA to D. Ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing of the securities being rated within the major rating category. The "BBB" rating expected to be assigned to the Notes by S&P indicates that the Notes rank in the middle of S&P's 4th highest rating category.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. The credit ratings assigned to the Notes may not reflect the potential impact of all risks on the value of the Notes. A rating is therefore not a recommendation to buy, sell or

hold securities and may be subject to revision or withdrawal at any time by the rating agency.

Dealers:

National Bank Financial Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., iA Private Wealth Inc., Manulife Wealth Inc., Desjardins Securities Inc., Laurentian Bank Securities Inc., J.P. Morgan Securities Canada Inc., Merrill Lynch Canada Inc., Morgan Stanley Canada Limited, Wells Fargo Securities Canada, Ltd. and Casgrain & Company Limited (collectively, the “**Dealers**”). National Bank Financial Inc. is a wholly-owned subsidiary of the Bank. By virtue of such ownership, the Bank is a related and connected issuer of National Bank Financial Inc. under applicable securities legislation. See “Plan of Distribution”.

Method of Distribution:

Agency

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Pricing Supplement and in documents incorporated by reference in this Pricing Supplement are forward-looking statements. All such statements are made in accordance with applicable securities legislation in Canada and the United States. Forward-looking statements in this Pricing Supplement and in documents incorporated by reference in this Pricing Supplement may include, but are not limited to, statements with respect to the economy, market changes, the Bank's objectives, outlook, and priorities for fiscal year 2024 and beyond, the strategies or actions that will be taken to achieve them, expectations for the Bank's financial condition, its activities, the regulatory environment in which it operates, its environmental, social, and governance targets and commitments, and certain risks to which the Bank is exposed. These forward-looking statements are typically identified by verbs or words such as "outlook", "believe", "foresee", "forecast", "anticipate", "estimate", "project", "expect", "intend" and "plan", in their future or conditional forms, notably verbs such as "will", "may", "should", "could" or "would" as well as similar terms and expressions.

Such forward-looking statements are made for the purpose of assisting the holders of the Bank's securities and potential purchasers of the Bank's securities in understanding the Bank's financial position and results of operations as at and for the periods ended on the dates presented, as well as the Bank's vision, strategic objectives, and performance targets, and may not be appropriate for other purposes. These forward-looking statements are based on current expectations, estimates, assumptions and intentions and are subject to uncertainty and inherent risks, many of which are beyond the Bank's control. There is a strong possibility that the Bank's express or implied predictions, forecasts, projections, expectations, or conclusions will not prove to be accurate, that its assumptions may not be confirmed and that its vision, strategic objectives, and performance targets will not be achieved. The Bank cautions investors that these forward-looking statements are not guarantees of future performance and that actual events or results may differ significantly from these statements due to a number of factors. Thus, the Bank recommends that readers not place undue reliance on these forward-looking statements, as a number of factors could cause actual results to differ significantly from the expectations, estimates, or intentions expressed in these forward-looking statements. Investors and others who rely on the Bank's forward-looking statements should carefully consider the factors listed below as well as the uncertainties they represent and the risk they entail. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time, by it or on its behalf.

Assumptions about the performance of the Canadian and U.S. economies in 2024, and how that performance will affect the Bank's business are among the factors considered in setting the Bank's strategic priorities and objectives, including provisions for credit losses. These assumptions appear in the Economic Review and Outlook section of the Bank's annual report for the year ended October 31, 2023 (the "**2023 Annual Report**") and, for each business segment, in the Economic and Market Review sections of the 2023 Annual Report, and may be updated in the quarterly reports to shareholders.

The forward-looking statements in this Pricing Supplement and in documents incorporated by reference in this Pricing Supplement are based on a number of assumptions and are subject to risk factors, many of which are beyond the Bank's control and the impacts of which are difficult to predict. These risk factors include, among others, the general economic environment and financial market conditions in Canada, the United States, and the other countries where the Bank operates; the impact of upheavals in the U.S. banking industry; exchange rate and interest rate fluctuations; inflation; global supply chain disruptions; higher funding costs and greater market volatility; changes made to fiscal, monetary, and other public policies; changes made to regulations that affect the Bank's business; geopolitical and sociopolitical uncertainty; climate change, including physical risks and those related to the transition to a low-carbon economy, and the Bank's ability to satisfy stakeholder expectations on environmental and social issues; significant changes in consumer behaviour; the housing situation, real estate market, and household indebtedness in Canada; the Bank's ability to achieve its key short-term priorities and long-term strategies; the timely development and launch of new products and services; the Bank's ability to recruit and retain key personnel; technological innovation, including advances in artificial intelligence and the open banking system, and heightened competition from established companies and from competitors offering non-traditional services; changes in the performance and creditworthiness of the Bank's clients and counterparties; the Bank's exposure to significant regulatory matters or litigation; changes made to the accounting policies used by the Bank to report financial information, including the uncertainty inherent to assumptions and critical accounting estimates; changes to tax legislation in the countries where the Bank operates; changes made to capital and liquidity guidelines as well as to the presentation and interpretation thereof; changes to the credit ratings assigned to the Bank by financial and extrafinancial rating agencies; potential disruptions to key

suppliers of goods and services to the Bank; the potential impacts of disruptions to the Bank's information technology systems, including cyberattacks as well as identity theft and theft of personal information; the risk of fraudulent activity; and possible impacts of major events affecting the economy, market conditions, or the Bank's outlook, including international conflicts, natural disasters, public health crises, and the measures taken in response to these events.

The foregoing list of risk factors is not exhaustive, and the forward-looking statements made in this Pricing Supplement and in the documents incorporated by reference in this Pricing Supplement are also subject to credit risk, market risk, liquidity and funding risk, operational risk, regulatory compliance risk, reputation risk, strategic risk, and social and environmental risk, as well as certain emerging risks or risks deemed significant. Additional information about these risk factors is provided in the Risk Management section beginning on page 62 of the 2023 Annual Report and may be updated in the quarterly shareholders' report subsequently published.

The forward-looking information contained in this document is presented for the purpose of interpreting the information contained herein and may not be appropriate for other purposes.

DOCUMENTS INCORPORATED BY REFERENCE

This Pricing Supplement is deemed to be incorporated by reference into the Prospectus solely for the purpose of the offering of the Notes. Other documents are also incorporated or deemed to be incorporated by reference into the Prospectus and reference should be made to the Prospectus for full particulars thereof.

The following documents have been filed with the securities regulatory authorities in each province and territory of Canada and are specifically incorporated by reference into, and form an integral part of, this Pricing Supplement:

(i) the indicative term sheet dated January 29, 2024 and the final term sheet dated January 29, 2024 in each case delivered to potential investors with respect to this offering and filed on SEDAR+ (collectively, the "**Marketing Materials**").

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus* filed by the Bank and any template version of marketing materials (as defined in National Instrument 41-101 - *General Prospectus Requirements*) filed by the Bank with the applicable securities regulatory authorities in Canada after the date of this Pricing Supplement and prior to the termination of the offering of Notes contemplated hereby shall be deemed to be incorporated by reference in this Pricing Supplement.

Any statement contained in a document incorporated or deemed to be incorporated by reference in this Pricing Supplement or the Prospectus or contemplated in this Pricing Supplement or the Prospectus will be deemed to be modified or superseded for the purposes of this Pricing Supplement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Pricing Supplement.

The Marketing Materials are not part of this Pricing Supplement or the Prospectus to the extent that the contents of such materials have been modified or superseded by a statement contained in this Pricing Supplement or any amendment. In addition, any template version of any other marketing materials filed with the securities regulatory authorities in each province and territory of Canada in connection with this offering after the date hereof but prior to the termination of the distribution of the Notes under this Pricing Supplement is deemed to be incorporated by reference herein and in the Prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of McCarthy Tétrault LLP, counsel to the Bank, and Torys LLP, counsel to the Dealers, the Notes to be issued by the Bank pursuant to this Pricing Supplement, if issued on the date of this Pricing Supplement, would be, on such date, qualified investments under the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder for trusts governed by registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), registered education savings plans (“**RESPs**”), registered disability savings plans (“**RDSPs**”), deferred profit sharing plans (other than a trust governed by a deferred profit sharing plan to which contributions are made by the Bank or an employer with which the Bank does not deal at arm’s length within the meaning of the Tax Act), tax-free savings accounts (“**TFSAs**”) and first home savings accounts (“**FHSAs**”).

Notwithstanding that the Notes may be “qualified investments” under the Tax Act for a trust governed by an RRSP, RRIF, RESP, RDSP, TFSA or FHSA, if a Note is a “prohibited investment” within the meaning of the Tax Act, the annuitant, subscriber or holder of such trust, as the case may be, will be subject to penalty taxes as set out in the Tax Act.

The Notes, if issued on the date of this Pricing Supplement, would not be, on such date, a “prohibited investment” (within the meaning of the Tax Act) for a trust governed by an RRSP, RRIF, RESP, RDSP, TFSA or FHSA provided the annuitant under the RRSP or RRIF, the subscriber of the RESP, or the holder of the RDSP, TFSA or FHSA, as the case may be, deals at arm’s length with the Bank for purposes of the Tax Act and does not have a significant interest (within the meaning of the Tax Act) in the Bank.

Prospective investors should consult their own tax advisors with respect to whether the Notes would be prohibited investments in their particular circumstances.

CHANGES TO SHARE CAPITAL AND SUBORDINATED INDEBTEDNESS

The following table sets out the consolidated capitalization of the Bank as at October 31, 2023 before and after giving effect to the sale by the Bank of the Notes. This table should be read in conjunction with the Bank’s audited annual consolidated financial statements as at and for the years ended October 31, 2023 and 2022 and the 2023 Annual Report.

	<u>As at October 31, 2023</u>	<u>As adjusted as at October 31, 2023</u>
	(\$ millions)	(\$ millions)
Subordinated Debt	748	1,248
Share Capital and other equity instruments		
Preferred shares and other equity instruments	3,150	3,150
Common shares	3,294	3,294
Contributed Surplus	68	68
Retained Earnings	16,744	16,744
Accumulated other comprehensive income (loss)	420	420
Total Shareholders’ Equity	23,676	23,676
Total Capitalization	24,424	24,924

TRADING PRICE AND VOLUME OF THE COMMON SHARES

The following chart sets out the trading price and volume of the Common Shares on the TSX during the 12 months preceding the date of this Pricing Supplement:

Common Shares (NA)

Month	High	Low	Total Volume
January 1-26, 2024	\$102.95	\$98.04	27,328,351
December 2023	\$101.75	\$91.44	51,061,352
November 2023	\$92.02	\$85.46	20,673,962
October 2023	\$90.52	\$84.27	25,914,405
September 2023	\$95.90	\$88.45	51,016,370
August 2023	\$103.65	\$93.98	25,972,974
July 2023	\$103.59	\$96.87	25,200,140
June 2023	\$100.08	\$94.21	49,660,053
May 2023	\$103.25	\$97.08	23,856,613
April 2023	\$101.14	\$95.80	25,687,150
March 2023	\$104.83	\$91.96	67,851,237
February 2023	\$101.96	\$97.79	17,888,245
January 2023	\$99.96	\$91.21	23,808,357

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of McCarthy Tétrault LLP, counsel to the Bank, and Torys LLP, counsel to the Dealers, the following is a summary of the principal Canadian federal income tax considerations generally applicable to a holder of Notes who acquires the Notes pursuant to this Pricing Supplement as beneficial owner and who, for purposes of the Tax Act and at all relevant times, is resident or deemed to be resident in Canada, deals at arm's length with and is not affiliated with the Bank, holds the Notes and will hold Common Shares acquired on an NVCC Automatic Conversion as capital property, and is not exempt from taxation under Part I of the Tax Act. Generally, the Notes and Common Shares will be considered to constitute capital property to a holder provided that the holder does not use or hold the Notes or the Common Shares in or in the course of carrying on a business of trading or dealing in securities or as part of an adventure or concern in the nature of trade. Certain holders who might not otherwise be considered to hold their Notes or Common Shares as capital property may, in certain circumstances, be entitled to have them and all of their other "Canadian securities", as defined in the Tax Act, treated as capital property by making the irrevocable election permitted under subsection 39(4) of the Tax Act.

This summary is not applicable to a purchaser an interest in which is a "tax shelter investment" (as defined in the Tax Act), a purchaser who has elected to determine its Canadian tax results in a currency (other than Canadian currency) that is a "functional currency" (as defined in the Tax Act), a purchaser who is a "financial institution" (as defined in the Tax Act) for purposes of certain rules applicable to securities held by financial institutions (referred to as the "mark-to-market" rules), a purchaser who is a "specified financial institution" (as defined in the Tax Act) or a purchaser who enters into a "derivative forward agreement" or "synthetic disposition arrangement" (each as defined in the Tax Act) with respect to the Notes or the Common Shares. Such purchasers should consult their own tax advisors.

This summary is based upon the provisions of the Tax Act and the regulations issued thereunder currently in force as of the date hereof, all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Tax Proposals") and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "CRA") published in writing by the CRA prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law or CRA administrative policies or assessing practices, whether by way of legislative, governmental or judicial decision or action, nor does it take into account or consider any other federal tax considerations or any provincial, territorial or foreign tax considerations, which may differ materially from those discussed herein. While this summary assumes that

the Tax Proposals will be enacted in the form proposed, no assurance can be given that this will be the case, and no assurance can be given that judicial, legislative or administrative changes will not modify or change the statements below.

This summary is of a general nature only and is not, and is not intended to be, and should not be construed to be, legal or tax advice to any particular holder and no representation with respect to the income tax consequences to any particular holder is made. Prospective purchasers of Notes should consult their own tax advisors with respect to the tax consequences to them of acquiring, holding and disposing of Notes having regard to their own particular circumstances.

Notes

Interest on the Notes

A holder of a Note that is a corporation, partnership, unit trust or trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year any interest or amount that is considered for the purposes of the Tax Act to be interest on the Note that accrues (or is deemed to accrue) to such holder to the end of the year or became receivable or was received by the holder before the end of the year, to the extent that the interest (or amount considered to be interest) was not included in computing the holder's income for a preceding taxation year.

A holder of a Note (other than a holder referred to in the previous paragraph) will be required to include in computing the holder's income for a taxation year any amount received or receivable (depending upon the method regularly followed by the holder in computing income) by the holder as interest (or amount considered to be interest) in the year on the Note, to the extent that such amount was not included in computing the holder's income for a preceding taxation year. In addition, if at any time a Note becomes an "investment contract" (as defined in the Tax Act) in relation to the holder, such holder will be required to include in computing income for a taxation year any interest (including any amount considered to be interest for the purposes of the Tax Act) that accrues (or is deemed to accrue) to the holder on the Note to the end of any "anniversary day" (as defined in the Tax Act) in that year to the extent such interest was not otherwise included in the holder's income for that or a preceding taxation year. For these purposes, the "anniversary day" in respect of a Note held by a holder is the day that is one year after the day immediately preceding the date of issuance of the Note, the day that occurs at every successive one-year interval from such day and the day on which the Note is disposed of by such holder.

Dispositions

On a disposition or deemed disposition of a Note (including on a redemption, a payment on maturity, or a purchase for cancellation), other than as a result of an NVCC Automatic Conversion, a holder will generally be required to include in computing its income for the taxation year in which the disposition or deemed disposition occurred the amount of interest (including any amounts considered to be interest) that has accrued on the Note to the date of disposition or deemed disposition, to the extent that such amount has not otherwise been included in computing the holder's income for the year in which the disposition or deemed disposition occurred or a preceding taxation year.

On a disposition of a Note as a result of an NVCC Automatic Conversion, a holder will be required to include in computing its income for the taxation year in which the NVCC Automatic Conversion occurs the fair market value of any Common Shares issued in satisfaction of accrued and unpaid interest on the Note to the date of the NVCC Automatic Conversion, to the extent that such amount has not otherwise been included in computing the holder's income for that year or a preceding taxation year. A holder that has previously included an amount in income in respect of such interest which exceeds the fair market value of the Common Shares issued in satisfaction thereof may be entitled to an offsetting deduction in the year of disposition in an amount equal to the amount of such excess.

Any premium paid by the Bank to a holder on the purchase for cancellation or redemption of a Note will generally be deemed to be interest received by the holder at the time of payment to the extent that it can reasonably be considered to relate to, and does not exceed the value at that time of, the interest that would

have been paid or payable by the Bank on the Note for a taxation year of the Bank ending after the time of payment. Such interest will be required to be included in computing the holder's income in the manner described above.

In general, on a disposition or deemed disposition of a Note (including on a redemption, payment on maturity or purchase for cancellation), a holder will realize a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any amount included in the holder's income as interest and any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such Note to the holder immediately before the disposition or deemed disposition. On an NVCC Automatic Conversion, the proceeds of disposition of a Note will be equal to the fair market value of the Common Shares received by the holder on the conversion (other than any Common Shares issued in satisfaction of accrued and unpaid interest on the Note). The income tax treatment of capital gains and capital losses realized by a holder is described below under "Taxation of Capital Gains and Capital Losses".

The cost to a holder of Common Shares acquired pursuant to an NVCC Automatic Conversion will generally equal the fair market value of such Common Shares on the date of acquisition. The adjusted cost base to the holder of the Common Shares acquired at the time of an NVCC Automatic Conversion will be determined by averaging the cost of such Common Shares with the adjusted cost base of all other Common Shares held by such holder as capital property immediately before that time.

Holders should consult their own tax advisors regarding the Canadian income tax consequences associated with an NVCC Automatic Conversion.

Common Shares

Taxation of Dividends on Common Shares

Dividends received (or deemed to be received) in a taxation year on Common Shares by a holder that is an individual (other than certain trusts) will be required to be included in the individual's income for such taxation year and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rates applicable to any dividends designated by the Bank as eligible dividends in accordance with the provisions of the Tax Act.

Dividends on the Common Shares received (or deemed to be received) by a holder that is a corporation in a taxation year will be included in computing its income for such taxation year and generally will be deductible in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a holder that is a corporation as proceeds of disposition or a capital gain. Holders of Common Shares that are corporations should consult their own tax advisors having regard to their own circumstances.

A holder that is a "private corporation", as defined in the Tax Act, or any other corporation controlled, whether by reason of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on the Common Shares to the extent such dividends are deductible in computing its taxable income for that taxation year.

Disposition of Common Shares

In general, a disposition or deemed disposition of Common Shares by a holder (other than a purchase for cancellation or other acquisition by the Bank unless purchased by the Bank in the open market in the manner in which shares are normally purchased by a member of the public in the open market), will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Common Shares to the holder immediately before the disposition or deemed disposition. If the holder is a corporation, any capital loss realized on a disposition or deemed disposition of Common Shares may in certain circumstances be reduced by the amount

of any dividends which have been received (or deemed to be received) on such shares. Analogous rules apply to a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

If the Bank purchases for cancellation or acquires Common Shares held by a holder, other than by a purchase in the open market in the manner in which shares are normally purchased by a member of the public in the open market, the holder will be deemed to have received a dividend equal to the amount, if any, paid by the Bank, in excess of the paid-up capital of such shares at such time. The difference between the amount paid and the amount of the deemed dividend will be treated as proceeds of disposition for the purposes of computing any capital gain or capital loss arising on the disposition of such shares as discussed in the immediately preceding paragraph. In the case of a holder that is a corporation, it is possible that in certain circumstances all or part of the amount so deemed to be a dividend may be treated as proceeds of disposition and not as a dividend.

Taxation of Capital Gains and Capital Losses

Generally, one-half of the amount of any capital gain (a “**taxable capital gain**”) realized by a holder in a taxation year must be included in the holder’s income in that year and, subject to and in accordance with the provisions of the Tax Act, one-half of the amount of any capital loss (an “**allowable capital loss**”) realized by a holder in a taxation year generally must be deducted from taxable capital gains realized by the holder in that year. Allowable capital losses in excess of taxable capital gains in any particular year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the holder in such years, to the extent and under the circumstances described in the Tax Act.

Alternative Minimum Tax

Taxable dividends received or deemed to be received and capital gains realized by an individual or a trust (other than certain specified trusts) may give rise to a liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

Additional Refundable Tax

A holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) or a “substantive CCPC” (as defined in Tax Proposals contained in Bill C-59 introduced in the Canadian House of Commons in November 2023 that are proposed to be effective for taxation years beginning on or after April 7, 2022) may also be liable for a refundable tax on investment income. For this purpose, investment income will generally include interest income and taxable capital gains.

PLAN OF DISTRIBUTION

Under an agreement (the “**Agency Agreement**”) between the Dealers and the Bank dated January 29, 2024, the Dealers have agreed to offer for sale in Canada if, as and when issued by the Bank in accordance with the terms of the Agency Agreement, up to \$500,000,000 principal amount of the Notes at a price of \$999.980 per \$1,000 principal amount of Notes.

The Bank has agreed to indemnify the Dealers against certain liabilities. The Bank has agreed to pay the Dealers a commission of \$3.50 on account of services rendered in connection with the offering of the Notes per \$1,000 principal amount of Notes sold.

It is expected that the closing of the issue of the Notes will take place on or about February 5, 2024, or such later date as the Bank and the Dealers may agree but, in any event, not later than March 5, 2024.

The Bank reserves the right to accept or reject any subscription in whole or in part. While the Dealers have agreed to use their reasonable best efforts to sell the Notes, they are not obligated to purchase any Notes which are not sold. The obligations of the Dealers under the Agency Agreement may be terminated, and the Dealers may withdraw all subscriptions for Notes on behalf of subscribers, at the Dealer’s discretion, upon the occurrence of certain stated events.

Each of the Dealers may from time to time purchase and sell Notes in the secondary market, but no Dealer is obligated to do so and may discontinue market-making activities at any time.

The Notes have not been and will not be registered under the U.S. Securities Act and, subject to certain exceptions, may not be offered, sold or delivered within the United States of America, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

The Bank has applied to list the Common Shares that would be issued upon an NVCC Automatic Conversion on the TSX. Listing will be subject to the Bank fulfilling all of the requirements of the TSX.

National Bank Financial Inc., one of the Dealers, is a wholly-owned subsidiary of the Bank. By virtue of such ownership, the Bank is a related and connected issuer of National Bank Financial Inc. under applicable securities legislation. The decision to distribute the Notes and the determination of the terms of the distribution were made through negotiations between the Bank on the one hand and the Dealers on the other hand. National Bank Financial Inc. will not receive any benefit in connection with this offering, other than its share of the Dealers' commission payable by the Bank.

Under applicable securities legislation, RBC Dominion Securities Inc. (“**RBC**”) is an independent agent in connection with this offering and is not related or connected to the Bank or to National Bank Financial Inc. In that capacity, RBC has participated with all other Dealers in due diligence meetings relating to this Pricing Supplement with the Bank and its representatives, has reviewed this Pricing Supplement and has had the opportunity to propose such changes to this Pricing Supplement as it considered appropriate. In addition, RBC has participated, together with the other Dealers, in the structuring and pricing of this offering.

LEGAL MATTERS

Certain legal matters in connection with the offering of the Notes will be passed upon by McCarthy Tétrault LLP, on behalf of the Bank, and by Torys LLP, on behalf of the Dealers. The partners, counsel and associates of McCarthy Tétrault LLP and Torys LLP, respectively, as a group, beneficially own, directly or indirectly, less than one percent of any class of security issued by the Bank.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Notes is Computershare Trust Company of Canada or its agent at its principal office in in the cities of Vancouver, Calgary, Toronto and Montréal.

RISK FACTORS

An investment in the Notes is subject to certain risks including those set out in the Prospectus and the following. From time to time, the stock market experiences significant price and volume volatility that may affect the market price of the Notes and Common Shares for reasons unrelated to the Bank's performance. Also, the financial markets are generally characterized by extensive interconnections among financial institutions. As such, financial difficulties experienced, or a perception in the marketplace of such difficulties, by other financial institutions in Canada, the United States or other countries could adversely affect the Bank and the market price of the Notes and Common Shares. Additionally, the Notes and Common Shares are subject to market value fluctuations based upon factors which influence the Bank's operations, such as legislative or regulatory developments, competition, technological change and global capital market activity.

Automatic conversion into Common Shares upon a Trigger Event

Upon the occurrence of a Trigger Event and an NVCC Automatic Conversion, an investment in the Notes will become an investment in fully-paid Common Shares without the consent of the holder. See “*NVCC Automatic Conversion*”. After an NVCC Automatic Conversion, a holder of Notes will no longer have any rights as a creditor of the Bank and will only have rights as a common shareholder. Absent an NVCC Automatic Conversion, the claims of holders of Notes have certain priority of payment over the claims of holders of equity shares of the Bank. Given the nature of a Trigger Event, a holder of Notes will become a

holder of Common Shares at a time when the Bank's financial condition has deteriorated. If the Bank were to become insolvent or wound-up after the occurrence of a Trigger Event, the holders of Common Shares may receive, if anything, substantially less than the holders of Notes might have received had the Notes not been converted into Common Shares. An NVCC Automatic Conversion may also occur at a time when a federal or provincial government or other government agency in Canada has provided, or will provide, a capital injection or equivalent support, the terms of which may rank in priority to the Common Shares with respect to the payment of dividends, rights on liquidation or other terms.

A Trigger Event may involve a subjective determination outside the Bank's control

The decision as to whether a Trigger Event will occur may involve a subjective determination by the Superintendent that the Bank has ceased, or is about to cease, to be viable and that the conversion of all contingent instruments is reasonably likely, taking into account any other factors or circumstances that are considered relevant or appropriate by the Superintendent, to restore or maintain the viability of the Bank. An NVCC Automatic Conversion may also occur if a federal or provincial government in Canada publicly announces that the Bank accepted or agreed to accept a capital injection, or equivalent support from such government or political subdivision or agent or agency thereof, without which the Superintendent would have determined the Bank to be non-viable. Such determination will be beyond the control of the Bank. See the definition of "Trigger Event" in the Prospectus Supplement.

The Office of the Superintendent of Financial Institutions ("OSFI") has stated that the Superintendent will consult with the Canada Deposit Insurance Corporation ("CDIC"), the Bank of Canada, the Department of Finance and the Financial Consumer Agency of Canada prior to making a non-viability determination. The conversion of contingent instruments alone may not be sufficient to restore an institution to viability and other public sector interventions, including liquidity assistance, would likely be used along with the conversion of contingent instruments to maintain an institution as a going concern.

In assessing whether the Bank has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments, it is reasonably likely that the viability of the Bank will be restored or maintained, OSFI has stated that the Superintendent will consider, in consultation with the authorities referred to above, all relevant facts and circumstances. Those facts and circumstances may include, in addition to other public sector interventions, a consideration of whether, among other things:

- the assets of the Bank are, in the opinion of the Superintendent, sufficient to provide adequate protection to the Bank's depositors and creditors;
- the Bank has lost the confidence of depositors or other creditors and the public (for example, ongoing increased difficulty in obtaining or rolling over short-term funding);
- the Bank's regulatory capital has, in the opinion of the Superintendent, reached a level, or is eroding in a manner, that may detrimentally affect its depositors and creditors;
- the Bank has failed to pay any liability that has become due and payable or, in the opinion of the Superintendent, the Bank will not be able to pay its liabilities as they become due and payable;
- the Bank has failed to comply with an order of the Superintendent to increase its capital;
- in the opinion of the Superintendent, any other state of affairs exists in respect of the Bank that may be materially prejudicial to the interests of the Bank's depositors or creditors or the owners of any assets under the Bank's administration; and
- the Bank is unable to recapitalize on its own through the issuance of Common Shares or other forms of regulatory capital (for example, no suitable investor or group of investors exists that is willing or capable of investing in sufficient quantity and on terms that will restore the Bank's viability, nor is

there any reasonable prospect of such an investor emerging in the near-term in the absence of conversion of contingent instruments).

If an NVCC Automatic Conversion occurs, then the interests of depositors, other creditors of the Bank, and holders of the Bank's securities which are not contingent instruments will all rank in priority to the holders of contingent instruments, including the Notes. The Superintendent retains full discretion to choose not to trigger non-viability contingent capital notwithstanding a determination that the Bank has ceased, or is about to cease, to be viable. Under such circumstances, holders of Notes could be exposed to losses through the use of other resolution tools or in liquidation.

The number and value of Common Shares to be received on an NVCC Automatic Conversion is variable

The number of Common Shares to be received for each Note on an NVCC Automatic Conversion is calculated by reference to the prevailing market price of Common Shares immediately prior to a Trigger Event, subject to the Floor Price. See "NVCC Automatic Conversion." If there is an NVCC Automatic Conversion at a time when the market price of the Common Shares is below the Floor Price, investors may receive Common Shares with an aggregate market price less than the aggregate principal amount of the Notes being converted.

The Bank is expected to have outstanding from time to time other subordinated debt and preferred shares that will automatically convert into Common Shares upon a Trigger Event. Other subordinated debt or preferred shares that are convertible into Common Shares upon a Trigger Event may also use a lower floor price than that applicable to the Notes to determine the maximum number of Common Shares to be issued to holders of such instruments upon an NVCC Automatic Conversion. Accordingly, holders of Notes will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when other subordinated debt and preferred shares are converted into Common Shares, possibly at a conversion rate that is more favourable to the holder of such instruments than the rate applicable to the Notes, thereby causing substantial dilution to holders of Common Shares, and the holders of the Notes, who will become holders of Common Shares upon the NVCC Automatic Conversion.

Common Shares received on an NVCC Automatic Conversion could be subject to further dilution

In the circumstances surrounding a Trigger Event, the Superintendent or other governmental authorities or agencies may also require other steps to be taken to restore or maintain the viability of the Bank, such as the injection of new capital and the issuance of additional Common Shares or other securities. Accordingly, holders of the Notes will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when senior debt obligations of the Bank may be converted into Common Shares, possibly at a conversion rate that is more favourable to the holders of such obligations than the rate applicable to the Notes, and additional Common Shares or other securities ranking in priority to the Common Shares may be issued, thereby causing substantial dilution to holders of Common Shares and the holders of the Notes, who will become holders of Common Shares upon the Trigger Event.

Circumstances surrounding NVCC Automatic Conversion and effect on market price

The occurrence of a Trigger Event may involve a subjective determination by the Superintendent that the conversion of all contingent instruments is reasonably likely to restore or maintain the viability of the Bank. A Trigger Event will also occur if a federal or provincial government in Canada publicly announces that the Bank has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government or political subdivision or agent or agency thereof without which the Bank would have been determined by the Superintendent to be non-viable. See the definition of "Trigger Event" in the Prospectus Supplement. As a result, an NVCC Automatic Conversion may occur in circumstances that are beyond the control of the Bank. Also, even in circumstances where the market expects the Superintendent to cause an NVCC Automatic Conversion, the Superintendent may choose not to take that action. Because of the inherent uncertainty regarding the determination of when an NVCC Automatic Conversion may occur, it will be difficult to predict, when, if at all, the Notes will be mandatorily converted into Common Shares. Accordingly, trading behavior in respect of the Notes is not necessarily expected to follow trading behavior

associated with other types of convertible or exchangeable securities. Any indication, whether real or perceived, that the Bank is trending towards a Trigger Event can be expected to have an adverse effect on the market price of the Notes and the Common Shares, whether or not such Trigger Event actually occurs.

Credit ratings

Real or anticipated changes in credit ratings on the Notes may affect the market value of the Notes. In addition, real or anticipated changes in credit ratings can affect the cost at which the Bank can transact or obtain funding, and thereby affect its liquidity, business, financial condition or results of operations.

Rankings on insolvency or winding-up

The Notes are direct unsecured subordinate indebtedness of the Bank which, provided such Notes have not been converted into Common Shares upon a Trigger Event, rank equally with other subordinated indebtedness of the Bank from time to time issued and outstanding (other than subordinated indebtedness which has been further subordinated in accordance with its terms) in the event of the insolvency or winding-up of the Bank. If the Bank becomes insolvent or is wound-up while the Notes remain outstanding, the Bank's assets must be used to pay deposit liabilities and prior and senior ranking indebtedness before payments may be made on the Notes, other subordinated indebtedness and the Common Shares. Subject to the Bank's regulatory capital requirements, there is no limit on the Bank's ability to incur additional subordinated debt. In addition, the terms of the Notes do not restrict the Bank's ability to incur indebtedness that ranks senior to the Notes.

Upon an NVCC Automatic Conversion of the Notes, the terms of such notes with respect to priority and rights upon liquidation will not be relevant as such securities will have been converted to Common Shares which will rank equally with all other outstanding Common Shares. If the Bank were to become insolvent or wound-up after the occurrence of a Trigger Event, the holders of the Common Shares may receive, if anything, substantially less than the holders of the Notes might have received had the Notes not been converted into Common Shares.

Interest rate fluctuations

Prevailing interest rates will affect the market value of the Notes. Assuming all other factors remain unchanged, the market value of the Notes will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

Risks associated with floating rate notes

Investments in floating rate notes entail significant risks not associated with investments in fixed rate notes. The resetting of the applicable rate on a floating rate note may result in lower interest compared to a fixed rate note issued at the same time. The applicable rate on a floating rate note will fluctuate in accordance with fluctuations in the instrument or obligation on which the applicable rate is based, which in turn may fluctuate and be affected by a number of interrelated factors, including economic, financial and political events over which the Bank has no control.

If CORRA is no longer published following an Index Cessation Event with respect to CORRA, the terms of the Notes will require that the Bank use another Applicable Rate. In so acting, the Bank would not assume any obligations or relationship of agency or trust, including, but not limited to, any fiduciary duties or obligations, for or with any of the holders of the Notes. There is no assurance that the characteristics and behaviour of any other Applicable Rate will be similar to CORRA and such rates may result in interest payments that are lower than or that do not otherwise correlate over time with the payments that would have been made on the Notes if CORRA was available in its current form. In addition, such rates may not always operate as intended (including, without limitation, as a result of limited history and changes and developments in respect of such rates, the availability of rates information and the determination of the applicable adjustment spread (if any) at the relevant time). Uncertainty with respect to market conventions related to the calculation of another Applicable Rate and whether such alternative reference rate is a suitable replacement or successor for Daily Compounded CORRA may adversely affect the liquidity, return on, value and market

for the Notes. Further, the Bank may in the future issue notes referencing CORRA that differ materially in terms of interest determination when compared with the Notes or any other previous CORRA-referenced notes issued by it, which could result in increased volatility or could adversely affect the liquidity, return on, value and market for the Notes. Any of the outcomes noted above may result in different than expected interest payments and could materially affect the value of the Notes.

Upon the occurrence of an Index Cessation Event with respect to CORRA and a related Index Cessation Effective Date, the Bank or the Calculation Agent, as applicable, may make changes and adjustments as set forth above that may adversely affect the liquidity, return on, value and market for the Notes.

As CORRA is published by the Bank of Canada, the Bank has no control over its determination, calculation or publication. There can be no guarantee that CORRA will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in floating rate securities that reference CORRA, including the Notes. If the manner in which CORRA is calculated is changed, then that change might result in a reduction of the amount of interest payable on the relevant securities and the market prices of such securities, including the Notes.

Investors should be aware that the market continues to develop in relation to risk free rates, such as CORRA, as reference rates in capital markets. Further, limited market precedent exists for securities that use a compounded daily reference rate, such as Daily Compounded CORRA, as the reference rate, and the method for calculating a rate of interest based upon a compounded daily reference rate in those precedents varies. In addition, market participants and relevant working groups are exploring alternative reference rates based on different applications of CORRA, including term CORRA reference rates (which seek to measure the market's forward expectation of an average CORRA rate over a designated term). As such, the formula and related documentation conventions used for the Notes issued pursuant to this Pricing Supplement may not be widely adopted by other market participants, if at all. Adoption by the market of a different calculation method from the formula and related documentation conventions used for the Notes issued pursuant to this Pricing Supplement likely would adversely affect the liquidity, return on, value and market for the Notes.

Furthermore, investors should also be aware that the floating interest rate in respect of the Notes will only be capable of being determined on the Interest Determination Date near the end of the relevant Floating Interest Period and immediately or shortly prior to the relevant Interest Payment Date relating to such Floating Interest Period. It may be difficult for investors to reliably estimate the amount of interest which will be payable on the Notes in advance of the Interest Determination Date, and some investors may be unable or unwilling to trade the Notes without changes to their information technology systems, both of which factors could adversely affect the liquidity, return on, value and market for the Notes.

In addition, the manner of adoption or application of CORRA reference rates in the debt securities markets may differ materially compared with the application and adoption of CORRA in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of CORRA reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of securities referencing Daily Compounded CORRA, including the Notes.

Amendments to the "Criminal Rate" of Interest

The *Criminal Code* (Canada) prohibits the receipt of "interest" at a "criminal rate" (currently, an effective annual rate of interest that exceeds 60%). On June 22, 2023, the federal government of Canada passed Bill C-47 (*Budget Implementation Act, 2023, No.1*), which will make certain changes to the *Criminal Code* (Canada) to, among other things, lower the "criminal rate" of interest from the current rate of 60% to an annual percentage rate of 35%. Further, on December 23, 2023, the federal government of Canada released associated proposed *Criminal Interest Rate Regulations*. The proposed amendments and associated regulations will come into force concurrently on a date to be determined. Some of the Bank's financial instruments may be impacted by the proposed amendments and associated regulations. While the Bank continues to monitor developments in Canada regarding the "criminal rate" of interest, the impacts of the proposed amendments and associated regulations on the Bank and/or the financial services industry cannot be accurately predicted at this time.

Reinvestment risk

The Notes may be redeemed, in the sole discretion of the Bank but with the prior approval of the Superintendent, on and after February 15, 2029. The Notes may also be redeemed prior to February 15, 2029, at the option of the Bank but with the prior approval of the Superintendent, at any time on or after a Regulatory Event Date or the date of the occurrence of a Tax Event. If the Notes are redeemed prior to their maturity date, investors will be subject to reinvestment risk, since it may not be possible to reinvest in securities with similar risk and yield as the Notes. If the Notes are not redeemed on February 15, 2029, investors will thereafter be subject to uncertainty with respect to both the rate of interest payable on the Notes, which will fluctuate quarterly based on the applicable Daily Compounded CORRA, and with respect to the length of the remaining term of the Notes, which will be dependent upon whether or not the Notes are redeemed prior to their maturity date. If the Notes are not redeemed prior to their maturity date, the principal amount on the Notes will not be payable until the maturity date of February 15, 2034.

Bank recapitalization “Bail-In” regime

On April 20, 2016, the Government of Canada (“GOC”) introduced legislation to amend the *Bank Act* (Canada), the *Canadian Deposit Insurance Corporation Act* (the “CDIC Act”) and certain other federal statutes pertaining to banks to create a bank recapitalization or bail-in regime for domestic systemically important banks (“D-SIBs”), which include the Bank. On June 22, 2016, the proposed legislation was approved by Parliament and received Royal Assent and such amendments are now in force. Under the legislation, if the Superintendent is of the opinion that a D-SIB, such as the Bank, has ceased or is about to cease to be viable and its viability cannot be restored through the exercise of the Superintendent’s powers, the Governor in Council can, among other things and upon recommendation of the Minister of Finance that he or she is of the opinion that it is in the public interest to do so, grant an order directing the CDIC to convert all or a portion of certain shares and liabilities of the Bank into common shares of the Bank or any of its affiliates (a “**Bail-in Conversion**”).

The GOC has published regulations under the CDIC Act and the *Bank Act* (Canada) providing the final details of conversion, issuance and compensation regimes for bail-in instruments issued by D-SIBs, including the Bank, namely the Bank Recapitalization (Bail-in) Conversion Regulations, the Bank Recapitalization (Bail-in) Issuance Regulations and the Compensation Regulations (collectively, the “**Bail-in Regulations**”).

The Bank Recapitalization (Bail-in) Conversion Regulations provide that in general, any senior debt with an initial or amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and has been assigned a CUSIP or ISIN or similar identification number would be subject to a Bail-in Conversion. Shares, other than common shares, and subordinated debt would also be subject to a Bail-in Conversion, unless they are non-viability contingent capital. Other debt obligations of the Bank such as covered bonds, structured notes (as defined in the Bank Recapitalization (Bail-in) Conversion Regulations) and certain derivatives would not be subject to a Bail-in Conversion.

The Bank Recapitalization (Bail-in) Conversion Regulations and the Bank Recapitalization (Bail-in) Issuance Regulations came into force on September 23, 2018, and the Compensation Regulations came into force on March 27, 2018.

On April 18, 2018, OSFI published the final Total Loss Absorbing Capacity Guideline (“**TLAC Guideline**”) (which came into effect on September 23, 2018) which requires D-SIBs to maintain sufficient loss absorbing capacity to support their recapitalization in the unlikely event it becomes non-viable. D-SIBs must fully meet their minimum TLAC requirements by November 1, 2021 and public disclosure and regulatory reporting relating to TLAC commenced in the fiscal quarter commencing on November 1, 2018. During the quarter ended April 30, 2019, the Bank started to issue qualifying bail-in debt and expects its TLAC ratios to improve through the normal refinancing of its maturing unsecured term debt. The Bank does not anticipate any challenges in meeting these TLAC requirements.

Since the legislation came into force, holders of the Bank’s subordinated notes (including the Notes), preferred shares and Common Shares, including Common Shares issued following the occurrence of a

Trigger Event, may sustain substantial dilution following a Bail-in Conversion including, in the case of holders of subordinated notes (including the Notes) or preferred shares, if the conversion rate of other securities is more favourable to the holders of such securities than the rate applicable to holders of subordinated notes (including the Notes) or preferred shares. The Bail-in Regulations prescribe that holders of bail-in eligible instruments that are subject to a Bail-in Conversion must receive more Common Shares per dollar amount converted than holders of any subordinate ranking bail-in eligible instruments or NVCC instruments converted.

The Notes may be subject to write-off or write-down under current and proposed Canadian resolution powers

The Canada Deposit Insurance Corporation, Canada's resolution authority, was granted additional powers in 2009 to transfer certain assets and liabilities of a bank to a newly created "bridge bank" for such consideration as it determines in the event of a bank getting into distress, presumably to facilitate a sale of the bank to another financial institution as a going concern. Upon exercise of such power, any remaining assets and liabilities would remain with the "bad bank" which would then be wound up. As such, in this scenario, any liabilities or securities of the Bank, including the Notes and the Common Shares into which such Notes will be converted upon the occurrence of an NVCC Automatic Conversion, that remain with the "bad bank" would be effectively written off, subject to only partial repayment, devalued or otherwise become worthless, in the ensuing winding-up.

Certificate of the Dealers

Dated: January 29, 2024

To the best of our knowledge, information and belief, the Prospectus, together with the documents incorporated in the Prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the Prospectus and this supplement as required by the *Bank Act* (Canada) and the regulations thereunder and by the securities legislation of all the provinces and territories of Canada.

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(s) Alexis Rochette Gratton
By: Alexis Rochette Gratton

RBC DOMINION SECURITIES INC.

(s) Andrew Franklin
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BMO NESBITT BURNS INC.

(s) Michael Cleary
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CIBC WORLD MARKETS INC.

(s) Gaurav Matta
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SCOTIA CAPITAL INC.

(s) Michal Cegielski
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TD SECURITIES INC.

(s) Greg McDonald
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IA PRIVATE WEALTH INC.

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