

# Investor Fact Sheet



Q4 2023

## WHO WE ARE

National Bank (NA: TSX), founded in 1859 and headquartered in Montreal, is one of six systemically important banks in Canada with a leading presence in Quebec.

We operate through three business segments in Canada—Personal and Commercial Banking, Wealth Management and Financial Markets.

A fourth segment—U.S. Specialty Finance and International—complements the growth of our domestic operations.

### 2023 Total Revenues (Adjusted) by Business Segment<sup>(1)</sup>



### 2023 Total Revenues (Adjusted) by Geographic Distribution<sup>(1)</sup>



## OUR PILLARS



### Our Culture

- › Entrepreneurial
- › Agile
- › Collaborative
- › Diverse and inclusive



### Our Strategic Positioning

- › Canadian bank with leading franchise in Quebec
- › Differentiated positioning in Financial Markets and Wealth Management
- › Focused strategy outside Canada



### Our Discipline

- › Strong risk management culture
- › Disciplined cost management
- › Solid capital levels

## STRONG TRACK RECORD OF SHAREHOLDER VALUE CREATION

### Superior ROE<sup>(2)</sup>

**16.5%**  
Reported  
**16.8%<sup>(4)</sup>**  
Adjusted  
2023 ROE<sup>(3)</sup>

### Strong Earnings Power

**(1.2%)**  
Reported  
**6.7%<sup>(4)</sup>**  
Adjusted  
PTPP<sup>(5)</sup> Growth (2023/2022)

### Solid Credit Performance

**11 bps**  
2023 PCL  
on Impaired Loans  
(excl. POCI) Ratio<sup>(3)(6)</sup>

### Robust Capital Position

**13.5%**  
CET1 ratio<sup>(4)</sup>  
as at October 31, 2023

### Sound Liquidity Profile

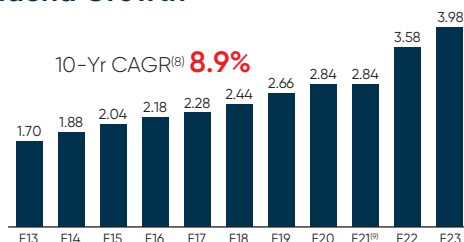
**155%**  
Liquidity coverage ratio<sup>(4)</sup>  
as at October 31, 2023

## Sustainable Dividend Growth

(\$ per share)

10-Yr average dividend payout<sup>(4)(7)</sup> of **42%**

Medium-term target payout ratio of **40% to 50%<sup>(4)(7)</sup>**



## Leading Total Shareholder Returns<sup>(3)</sup>

CAGR<sup>(8)</sup> for the periods ended October 31, 2023

	Ranking <sup>(10)</sup>	National Bank	Canadian Peers <sup>(10)</sup>	TSX
3 years	<b>#1</b>	<b>15%</b>	10%	10%
5 years	<b>#1</b>	<b>12%</b>	4%	8%
10 years	<b>#1</b>	<b>11%</b>	7%	7%

Source: Nasdaq IR Insight via Factset

(1) Excluding the Other segment. See the Financial Reporting Method section of the latest Annual Report for additional information on non-GAAP financial measures.

(2) Based on Return on common shareholders' equity (ROE) as reported by Canadian peers, including Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada, Bank of Nova Scotia and Toronto-Dominion Bank (together, the Canadian peers).

(3) See the Glossary of the latest Annual Report for details on the composition of these measures.

(4) See the Financial Reporting Method section of the latest Annual Report for additional information on non-GAAP financial measures, non-GAAP ratios and capital management measures.

(5) Adjusted Pre-Tax Pre-Provision earnings (PTPP) refers to adjusted income before provisions for credit losses and income taxes.

(6) Provisions for credit losses on impaired loans excluding purchased or originated credit impaired (POCI) loans as a percentage of average loans and acceptances.

(7) Dividends on common shares expressed as a percentage of adjusted basic earnings per share.

(8) Compound annual growth rate.

(9) Interruption of dividend increases, as prescribed by OSFI between March 13, 2020 and November 4, 2021.

(10) Among Canadian peers as defined above.

**BUSINESS SEGMENTS OVERVIEW**

**Personal and Commercial Banking**

Partner of choice in Quebec and across Canada

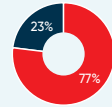
- › Leading franchise in core Quebec market
- › Recognized expertise across Canada in specialized industries<sup>(1)</sup>
- › Consistent approach toward balancing volume growth, margins and credit quality
- › Defensive credit position; overweight in secured lending and in the Quebec region
- › Serving ~2.7 million individuals and over 146,000 businesses

**2023**

**Revenue**  
\$4,516M

12% YoY growth

**By Geographic Distribution**



**PTPP<sup>(2)</sup>**

**Reported**  
\$2,006M / 12% YoY growth

**Adjusted**  
\$2,074M / 16% YoY growth

**Wealth Management**

Strong and differentiated franchise

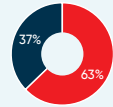
- › Leader in Quebec and firmly established across Canada in full-service brokerage services
- › NBI: largest manager of managers in Canada, leveraging its open architecture model
- › Leadership position in Canada in services for independent wealth management firms
- › Strong synergies with P&C Banking and Financial Markets segments

**2023**

**Revenue**  
\$2,521M

6% YoY growth

**By Geographic Distribution**



**PTPP<sup>(2)</sup>**

**Reported**  
\$987M / 3% YoY growth

**Adjusted**  
\$1,030M / 8% YoY growth

**Financial Markets**

Pan-Canadian franchise with established leadership in selected niche businesses

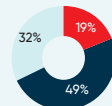
- › Diversified revenue mix from our Global Markets and C & IB divisions
- › Established leadership in government debt underwriting, ETF market-making, securities finance and structured products
- › Flexible approach to capital allocation
- › Track record of strong and consistent performance
- › Sound risk management
- › Entrepreneurial culture

**2023**

**Revenue<sup>(3)</sup>**  
\$2,656M

8% YoY growth

**By Geographic Distribution**



**PTPP<sup>(2)(3)</sup>**

**Reported**  
\$1,495M / 4% YoY growth

**Adjusted**  
\$1,502M / 4% YoY growth

**U.S. Specialty Finance and International**

Disciplined international strategy delivering high returns

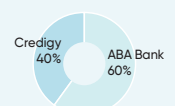
- › Focused on two growth pillars: Credigy and ABA Bank
- › Credigy is a US specialty finance company primarily active in financing and acquiring a diverse range of performing assets
- › ABA Bank is the largest bank in the fast growing Cambodian market

**2023**

**Revenue**  
\$1,209M

9% YoY growth

**Distribution**



**PTPP<sup>(2)</sup>**

**\$807M**

5% YoY growth

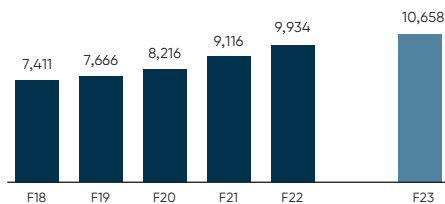
- Province of Quebec
- Other Canadian provinces
- Outside of Canada

**SELECTED FINANCIAL INFORMATION**

**Revenue Growth**

(in \$M)<sup>(4)</sup>

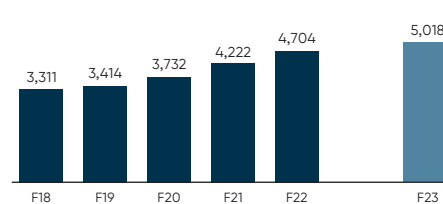
5-Yr CAGR: **7.5%**



**Adjusted PTPP Growth**

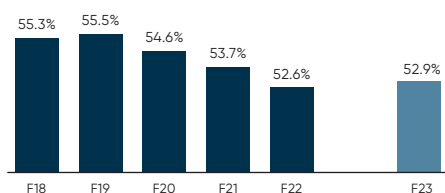
(in \$M)<sup>(2)(4)</sup>

5-Yr CAGR: **8.7%**



**Efficiency Ratio - Adjusted<sup>(4)</sup>**

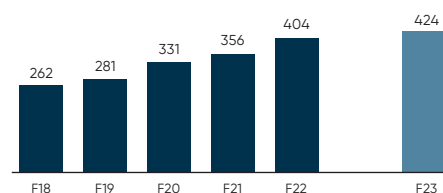
5-Yr improvement: **(240 bps)**



**Total Asset Growth**

(in \$B)

5-Yr CAGR: **10.0%**



**SHAREHOLDER INFORMATION**

**As at October 31, 2023**

Market Cap (TSX: NA)	\$29B
Number of Shares Outstanding	338.3M

**Common Dividend Information**

Dividend per share	Record	Payment
Q1: \$0.97	Dec. 26, 2022	Feb. 1, 2023
Q2: \$0.97	Mar. 27, 2023	May 1, 2023
Q3: \$1.02	Jun. 26, 2023	Aug. 1, 2023
Q4: \$1.02	Sept. 25, 2023	Nov. 1, 2023

**Credit Ratings**

Moody's: Aa3  
S&P: A  
DBRS: AA  
Fitch: AA-

**Quarterly Earnings Release  
2023 Calendar**

Q1:	March 1
Q2:	May 31
Q3:	August 30
Q4:	December 1

**Investor Relations**

investorrelations@nbc.ca

[www.nbc.ca](http://www.nbc.ca)

(1) Health, agriculture and agri-food, technology, creative industries, real estate, and transportation.

(2) Pre-Tax Pre-Provision earnings (PTPP) refers to Income before provisions for credit losses and income taxes.

(3) On a taxable equivalent basis (TEB), which is a non-GAAP financial measure.

(4) Presented on a taxable equivalent basis and excluding specified items, if any. This is either a non-GAAP financial measure or a non-GAAP ratio.