

Canadian Sustainable Companies Flex GIC (5 years)

Series 21, Investors Category¹

OFFER PERIOD:

April 11, 2024 to May 8, 2024

ISSUE DATE:

May 15, 2024

MATURITY DATE:

May 15, 2029

TERM:

5 years

PARTICIPATION FACTOR:

120.00%

PRODUCT CODE:

NBC10754

Investment highlights

- › Maximum Interest: No maximum
- › Minimum Investment: \$500
- › Principal 100% protected at maturity
- › Eligible for the CDIC deposit insurance²
- › Eligible for registered* and non-registered accounts
- › Can be sold back to the Bank on a daily basis**

The market-linked GIC offers the growth potential of a portfolio composed of the common shares or the units of twenty Canadian sustainable companies (the "Reference Portfolio"), while ensuring peace of mind due to capital protection at maturity.

The Variable Interest is calculated based on the price performance of the Reference Portfolio (please refer to page 3 for more details on Variable Interest calculation).



* For information on availability, please consult your advisor.

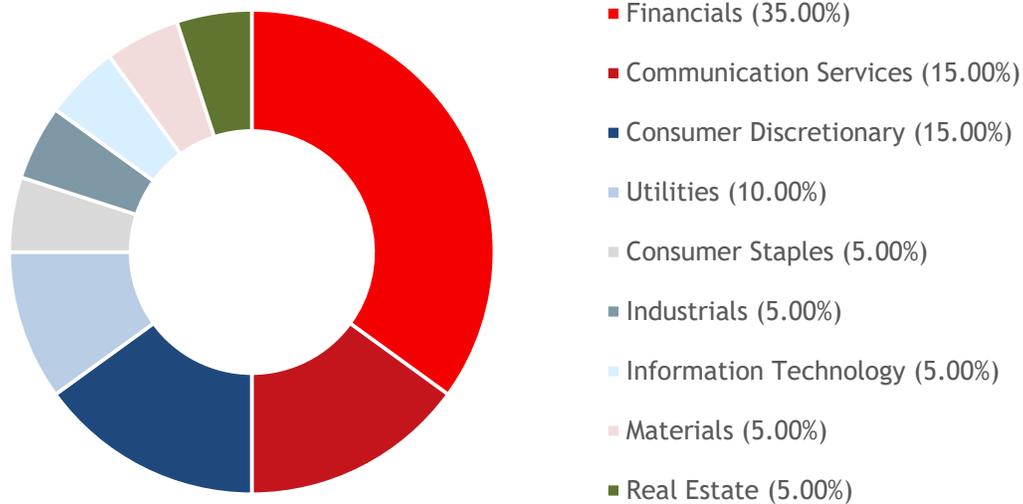
** Subject to normal market conditions. An investor who sells the market-linked GIC prior to maturity may receive less than the principal invested on the Issue Date, including in case of the investor's death. The amount indicated on your statements before maturity could therefore be less than your principal invested on the Issue Date.

Reference Portfolio

Exposure to the common shares or the units of the following 20 Canadian sustainable companies (the "Reference Shares"):

- › Algonquin Power & Utilities Corp.
- › BCE Inc.
- › Bank of Montreal
- › The Bank of Nova Scotia
- › Canadian Apartment Properties REIT
- › Canadian Imperial Bank of Commerce
- › Canadian National Railway Company
- › Canadian Tire Corporation, Limited – Class A
- › Hydro One Limited
- › Loblaw Companies Limited
- › Manulife Financial Corporation
- › Magna International Inc.
- › Open Text Corporation
- › Power Corporation of Canada
- › Restaurant Brands International Inc.
- › Rogers Communications Inc. – Class B
- › Sun Life Financial Inc.
- › TELUS Corporation
- › The Toronto-Dominion Bank
- › Wheaton Precious Metals Corp.

Sector Diversification



The Reference Portfolio Return calculation (as described below) is based on a price return of the Reference Shares and will not take into account dividends and/or distributions paid by the issuers on account of each of the Reference Shares. As of April 1, 2024, the dividends and/or distributions paid on account of all the Reference Shares in the Reference Portfolio represented an annual indicative yield of approximately 4.36%, representing an aggregate yield of approximately 21.80% over the term of the market-linked GIC, assuming that the dividends and/or distributions remain constant and are not reinvested.

Reference Portfolio Selection Process

The Bank has concluded an agreement with Morningstar Research Inc. to access Sustainalytics³ ESG research and ratings. Sustainalytics analyses, evaluates and rates a vast set of global companies using 300 ESG indicators, 20 material ESG issues and over 1,300 datapoints. Sustainalytics' Eligible Selection List is based on the 2,500 companies with the largest market capitalization in the world, from which the Bank then determines the Reference Shares included in the Reference Portfolio using its own additional criteria. Both selection processes are summarized as follows, please refer to the Information Statement for further details.

1. Exclusion Criteria

- › Companies that have been exposed to serious ESG controversies or incidents
- › Companies involved in, but not limited to, the following sectors:
 - Controversial weapons
 - Tobacco
 - Gambling
 - Thermal coal, oil and gas
 - Adult entertainment
 - Recreational cannabis
- › Any territorial criteria that may be relevant

Please refer to the Information Statement for further details regarding the thresholds used to determine the exclusion of companies as well as an exhaustive list of excluded sectors.

2. "Best in Class" Selection

- › Selection of companies with ESG ratings in the top two quartiles within their respective sectors

3. Resulting Reference Portfolio

- › A diversified Reference Portfolio of sustainable companies, as listed in page 2

Potential Return

On the Maturity Date, investors will be entitled to receive a Variable Interest (as defined below), depending on the performance of the Reference Portfolio.

No interest or any other amount will be paid during the term of the market-linked GIC. If the Reference Portfolio does not generate a positive price return over the term of the market-linked GIC, the market-linked GIC will not generate any Variable Interest and, in this case, no return will be paid.

Variable Interest Calculation

The Variable Interest, if any, will be an amount calculated based on the price performance of the Reference Portfolio composed of the Reference Shares. Unlike certain other market-linked guaranteed investment certificates based on the performance of an underlying reference portfolio, the Variable Interest will not be subject to a cap. However, any positive Reference Portfolio Return will be multiplied by a Participation Factor which will result in investors receiving less than 100% of such positive Reference Portfolio Return if the Participation Factor is less than 100%.

The Variable Interest payment is calculated as follows:

$$\text{Variable Interest} = \text{Principal invested on the Issue Date} \times \text{Reference Portfolio Return} \times \text{Participation Factor}$$

The Reference Portfolio Return is the arithmetic average of the Reference Share Return of each of the Reference Shares comprising the Reference Portfolio. The Reference Share Return used to calculate the Reference Portfolio Return is based on the average of three Reference Share Prices of each Reference Share determined over the last three months of the term of the market-linked GIC. As a result, a brief period of high market volatility at the end of the term of the market-linked GIC is less likely to have a significant impact on the Variable Interest.

The market-linked GIC is not a conventional fixed income investment, as it does not provide investors with a defined income stream or a return that can be calculated by reference to a fixed or floating rate of interest that is determinable in advance.

Scenario Analysis

The following hypothetical examples are included for illustration purposes. The amounts and all other variables used in the following examples are hypothetical, are rounded for illustration purposes and are not forecasts or projections of the Reference Portfolio Return or the performance of the market-linked GIC. There can be no assurance that the results shown will be achieved.

Hypothetical example of a positive Variable Interest

The following table is based on the assumption that most of the closing prices for the Reference Shares will **increase** during the term of the market-linked GIC.

Reference Share	Reference Share Initial Value	Reference Share Price at Average Valuation Date 1 (A)	Reference Share Price at Average Valuation Date 2 (B)	Reference Share Price at Average Valuation Date 3 (C)	Reference Share Final Average Value (A + B + C) / 3	Reference Share Return
Algonquin Power & Utilities Corp.	\$9.73	\$5.74	\$6.04	\$6.34	\$6.04	-37.92%
BCE Inc.	\$55.15	\$40.79	\$42.93	\$45.08	\$42.93	-22.15%
Bank of Montreal	\$120.38	\$128.15	\$134.90	\$141.64	\$134.90	12.06%
The Bank of Nova Scotia	\$65.54	\$62.66	\$65.96	\$69.26	\$65.96	0.64%
Canadian Apartment Properties REIT	\$49.49	\$42.91	\$45.17	\$47.42	\$45.17	-8.74%
Canadian Imperial Bank of Commerce	\$55.56	\$75.73	\$79.71	\$83.70	\$79.71	43.47%
Canadian National Railway Company	\$157.48	\$206.10	\$216.95	\$227.80	\$216.95	37.76%
Canadian Tire Corporation, Limited – Class A	\$155.29	\$137.64	\$144.89	\$152.13	\$144.89	-6.70%
Hydro One Limited	\$37.14	\$51.08	\$53.77	\$56.46	\$53.77	44.77%
Loblaw Companies Limited	\$115.37	\$168.61	\$177.49	\$186.36	\$177.49	53.84%
Manulife Financial Corporation	\$26.21	\$21.23	\$22.35	\$23.46	\$22.35	-14.74%
Magna International Inc.	\$77.50	\$117.51	\$123.70	\$129.88	\$123.70	59.61%
Open Text Corporation	\$52.73	\$76.09	\$80.09	\$84.10	\$80.09	51.89%
Power Corporation of Canada	\$38.29	\$40.38	\$42.50	\$44.63	\$42.50	11.01%
Restaurant Brands International Inc.	\$92.97	\$89.67	\$94.39	\$99.11	\$94.39	1.53%
Rogers Communications Inc. – Class B	\$56.28	\$33.46	\$35.22	\$36.98	\$35.22	-37.43%
Sun Life Financial Inc.	\$68.43	\$102.36	\$107.75	\$113.13	\$107.75	57.45%
TELUS Corporation	\$23.27	\$30.48	\$32.09	\$33.69	\$32.09	37.90%
The Toronto-Dominion Bank	\$84.10	\$89.35	\$94.05	\$98.75	\$94.05	11.83%
Wheaton Precious Metals Corp.	\$59.82	\$83.89	\$88.30	\$92.72	\$88.30	47.61%
Arithmetic average of the Reference Share Returns						17.19%
Participation Factor						120.00%
Variable Interest payable at maturity (\$1,000 investment)						\$206.28

In accordance with the Variable Interest calculation, the Reference Portfolio Return of 17.19% is multiplied by the Participation Factor of 120.00%. The Variable Interest payable at maturity on a \$1,000 investment would be \$206.28 in this example, representing an annualized return of approximately 3.82%.

Hypothetical example of a nil Variable Interest

The following table is based on the assumption that most of the closing prices for the Reference Shares will **decrease** during the term of the market-linked GIC.

Reference Share	Reference Share Initial Value	Reference Share Price at Average Valuation Date 1 (A)	Reference Share Price at Average Valuation Date 2 (B)	Reference Share Price at Average Valuation Date 3 (C)	Reference Share Final Average Value (A + B + C) / 3	Reference Share Return
Algonquin Power & Utilities Corp.	\$9.73	\$7.02	\$7.39	\$7.76	\$7.39	-24.06%
BCE Inc.	\$55.15	\$63.32	\$66.66	\$69.99	\$66.66	20.87%
Bank of Montreal	\$120.38	\$106.17	\$111.76	\$117.34	\$111.76	-7.16%
The Bank of Nova Scotia	\$65.54	\$76.25	\$80.26	\$84.28	\$80.26	22.46%
Canadian Apartment Properties REIT	\$49.49	\$29.77	\$31.34	\$32.90	\$31.34	-36.68%
Canadian Imperial Bank of Commerce	\$55.56	\$42.18	\$44.40	\$46.62	\$44.40	-20.09%
Canadian National Railway Company	\$157.48	\$104.36	\$109.85	\$115.34	\$109.85	-30.24%
Canadian Tire Corporation, Limited – Class A	\$155.29	\$74.02	\$77.92	\$81.81	\$77.92	-49.82%
Hydro One Limited	\$37.14	\$14.64	\$15.41	\$16.18	\$15.41	-58.51%
Loblaw Companies Limited	\$115.37	\$48.79	\$51.36	\$53.93	\$51.36	-55.48%
Manulife Financial Corporation	\$26.21	\$27.17	\$28.60	\$30.03	\$28.60	9.11%
Magna International Inc.	\$77.50	\$79.56	\$83.74	\$87.93	\$83.74	8.06%
Open Text Corporation	\$52.73	\$38.57	\$40.61	\$42.64	\$40.61	-22.99%
Power Corporation of Canada	\$38.29	\$22.75	\$23.95	\$25.15	\$23.95	-37.46%
Restaurant Brands International Inc.	\$92.97	\$80.18	\$84.40	\$88.62	\$84.40	-9.22%
Rogers Communications Inc. – Class B	\$56.28	\$68.07	\$71.66	\$75.24	\$71.66	27.32%
Sun Life Financial Inc.	\$68.43	\$82.89	\$87.25	\$91.61	\$87.25	27.51%
TELUS Corporation	\$23.27	\$27.88	\$29.35	\$30.82	\$29.35	26.13%
The Toronto-Dominion Bank	\$84.10	\$76.86	\$80.91	\$84.95	\$80.91	-3.79%
Wheaton Precious Metals Corp.	\$59.82	\$48.09	\$50.62	\$53.16	\$50.62	-15.37%
Arithmetic average of the Reference Share Returns						-11.47%
Participation Factor						120.00%
Variable Interest payable at maturity (\$1,000 investment)						\$0.00

Since the Reference Portfolio Return is negative in this example, no Variable Interest would be payable at maturity in addition to the repayment of the principal invested on the Issue Date.

Should you have any questions, do not hesitate to contact your advisor.

1-888-483-5628

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Legal Notice

Risk Factors

An investment in the market-linked GIC involves a variety of risks which all investors should consider prior to making this investment. These risks are summarized in the market-linked GIC's Information Statement dated April 11, 2024, and you are encouraged to read the Information Statement carefully.

Suitability Considerations and Guidelines

An investment in the market-linked GIC is not suitable for all investors and even if suitable, investors should consider what part the market-linked GIC should serve in an overall investment plan. The Information Statement includes a summary of various suitability considerations and guidelines. You are encouraged to read the Information Statement carefully.

- 1 The Canadian Sustainable Companies Flex GIC (5 years), Series 21, Investors Category is herein referred to as "market-linked GIC".
- 2 The market-linked GIC is a deposit eligible for deposit insurance by the Canada Deposit Insurance Corporation (CDIC), subject to the maximum dollar limit of CDIC coverage and to applicable conditions. More information about CDIC deposit insurance can be found in the "Protecting Your Deposits" brochure (available online at www.cdic.ca or by telephone at 1-800-461-2342).
- 3 Registered business name and trademark of Morningstar Research Inc.

This document is for information purposes only and does not constitute an offer to sell or a solicitation to buy the market-linked GIC.

The statements contained herein are based upon information which we believe to be reliable, but we cannot represent that they are complete and accurate. The complete information related to this issue of the market-linked GIC is contained in the Information Statement which will be sent to investors prior to the Issue Date. All information regarding the market-linked GIC is available on the Bank's Internet Banking Solutions, on the website www.nbc.ca, by contacting your branch advisor or by calling 1-888-483-5628.

The market-linked GIC is not a conventional fixed income investment. The market-linked GIC is not suitable for all types of investors. An investment in the market-linked GIC is subject to a number of risk factors. Potential purchasers should consult the Information Statement before investing. The Bank has issued previous series which may have different terms and conditions. Please refer to our website for the list of terms and conditions, compared to the previous series.

Capitalized terms used and not otherwise defined herein have the meaning ascribed thereto in the Information Statement.

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