National Bank of Canada

2024 CDP Corporate Questionnaire 2024

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C1. Introduction

(1.1) In which language are you submitting your response?

Select from:
☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:
☑ CAD

(1.3) Provide an overview and introduction to your organization.

(1.3.1) Type of financial institution

Select from:
☑ Bank

(1.3.2) Organization type

Select from:
☑ Publicly traded organization

(1.3.3) Description of organization

With 442 billion in assets as at April 30, 2024, National Bank is one of Canada's six systemically important banks. National Bank has approximately 30,000 employees in knowledge-intensive positions and operates 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 its domestic operations. Its securities are listed on the Toronto Stock Exchange (TSX: NA). Follow National Bank's activities at nbc.ca or via social media.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

10/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:
☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:
☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:
☑ 4 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:
☑ 4 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:
☑ 4 years
[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

10200000000.00

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?	How does your reporting boundary differ to that used in your financial statement?
	Select from: ☑ No	*Operational control*

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

633067

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

NA

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

BSGEFEIOM18Y80CKCV46

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

243504755

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

CA6330671034
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply
☑ Cuba
☑ Malta
☑ Canada
☑ France
☑ Ireland
☑ Cambodia
☑ Thailand
☑ Hong Kong SAR, China
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland

(1.9) What was the size of your organization based on total assets value at the end of the reporting period?

424000000.00

(1.10) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

Banking (Bank)

(1.10.1) Activity undertaken

Select from:

☑ Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

☑ Yes, both the portfolio value and the % of revenue associated with it

(1.10.4) Portfolio value based on total assets

529865000000

(1.10.5) % of revenue

86

(1.10.6) Type of clients

Select all that apply

☑ Asset owners

☑ Retail clients

☑ Institutional investors

☑ Business and private clients (banking)

☑ Family offices / high network individuals

☑ Corporate and institutional clients (companies)

☑ Government / sovereign / quasi-government / sovereign wealth funds

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

- ☑ Retail
- ☑ Apparel
- ☑ Services
- ☑ Materials
- ☑ Hospitality
- ☑ Transportation services
- ☑ Food, beverage & agriculture
- ☑ Biotech, health care & pharma
- ☑ Fossil Fuels
- ☑ Manufacturing
- ☑ Infrastructure
- ☑ Power generation
- ☑ International bodies

Investing (Asset manager)

(1.10.1) Activity undertaken

Select from:

☑ Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

☑ Yes, both the portfolio value and the % of revenue associated with it

(1.10.4) Portfolio value based on total assets

146000000000

(1.10.5) % of revenue

14

(1.10.6) Type of clients

Select all that apply

- ☑ Asset owners
- ☑ Retail clients
- ☑ Institutional investors
- ☑ Family offices / high network individuals
- ☑ Corporate and institutional clients (companies)
- ☑ Government / sovereign / quasi-government / sovereign wealth funds

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

- ☑ Retail
- ☑ Apparel
- ☑ Services
- ☑ Materials
- ☑ Hospitality
- ☑ Transportation services
- ☑ Food, beverage & agriculture
- ☑ Biotech, health care & pharma
- ☑ Fossil Fuels
- ☑ Manufacturing
- ☑ Infrastructure
- ☑ Power generation
- ☑ International bodies

Investing (Asset owner)

(1.10.1) Activity undertaken

Select from:

- ☑ Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

- ☑ Yes, the value of the portfolio based on total assets

(1.10.4) Portfolio value based on total assets

4196495000

(1.10.6) Type of clients

Select all that apply

☑ Other, please specify :Pension Fund of National Bank's employees

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

☑ Retail
☑ Services
☑ Hospitality
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma

Insurance underwriting (Insurance company)

(1.10.1) Activity undertaken

Select from:

☑ No

[Fixed row]

(1.24) Has your organization mapped its value chain?

	Value chain mapped	Primary reason for not mapping your upstream value chain or any value chain stages	Explain why your organization has not mapped its upstream value chain or any value chain stages
	Select from:	*Select from:*	*Not an immediate strategic priority*

	Value chain mapped	Primary reason for not mapping your upstream value chain or any value chain stages	Explain why your organization has not mapped its upstream value chain or any value chain stages
	☑ No, and we do not plan to do so within the next two years	☑ Not an immediate strategic priority	

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	Select from: ☑ No, and we do not plan to within the next two years	*Select from:* ☑ Judged to be unimportant or not relevant	*The quantity is negligible*

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Stategic and capital short-term planning is 0-3 years, medium-term is 3-5 years and long term is 5 years.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Stategic and capital short-term planning is 0-3 years, medium-term is 3-5 years and long term is 5 years.

Long-term

(2.1.1) From (years)

10

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Stategic and capital short-term planning is 0-3 years, medium-term is 3-5 years and long term is 5 years.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

(2.2.1) Process in place

Select from:

☑ No, but we plan to within the next two years

(2.2.4) Primary reason for not evaluating dependencies and/or impacts

Select from:

☑ No standardized procedure

(2.2.5) Explain why you do not evaluate dependencies and/or impacts and describe any plans to do so in the future

While we have internal mechanisms to identify and mitigate certain environmental impacts, such as our carbon footprint, we have yet to establish a comprehensive process to fully identify, assess, and manage the entirety of our environmental dependencies and impacts across our direct operations, value chain, financed activities, and assets.

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply
☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply
☑ Risks

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Upstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

☑ Internal company methods

☑ Stress tests

Other

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Flood (coastal, fluvial, pluvial, ground water)

Policy

☑ Carbon pricing mechanisms

☑ Changes to national legislation

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Lending that could create or contribute to systemic risk for the economy

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Responsible sourcing: In line with our commitment to reduce our negative environmental and social impact and seize opportunities related to sustainable development, the Bank is continuing to implement a responsible sourcing strategy. Third-party risk management: In addition to our existing effective third-party risk management practices, the bank has developped a framework to identify, measure and mitigate the impact of climate risk on third-parties, and strengthened its process by reflecting climate risks in its existing policies and standards. Responsible marketing: The Bank is concerned about its impact on the environment and society and has therefore integrated many sustainable development practices into its marketing activities. Increasing the Efficiency of Our Operations: Built on energy efficiency Since a large portion of our emissions come from electricity and fuel consumption, energy efficiency is a top priority. When we drew up our action plan to reduce GHG emissions from our operations by 25% by 2025, we focused on various objectives and initiatives centred on the transition and energy efficiency. The measures already in place have demonstrated their effectiveness for a number of years.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Risks

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

☑ Stress tests

Other

☑ Internal company methods

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Flood (coastal, fluvial, pluvial, ground water)

Policy

☑ Carbon pricing mechanisms

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Lending that could create or contribute to systemic risk for the economy

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Regulators

☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

The Bank has drawn up a roadmap to implement the TCFD recommendations and improve its disclosure of information related to managing climate-related risks. It is also working with various industry partners to identify and implement sound management practices that promote the transition to a low-carbon economy. Over the past year, we continued to analyze climate scenarios to assess our exposure to climate risks and defined new interim targets for reducing our financed emissions, in line with our climate commitments. Our risk management teams are responsible for the four main Bank-wide risk dimensions of material risks the organization is exposed to: identification and assessment, quantification, management and disclosure. We're continuing to update our risk management framework to include climate risk and seize every opportunity to improve how we monitor the channels through which climate risk factors affect the top risks in our risk taxonomy. The assessment of climate risks related to our various portfolios and the results of our scenario analyses guide us in prioritizing the integration of climate risks into our overall risk management policies and processes. Assessing and mitigating climate risk is integral to the Bank's risk management framework. This framework accounts for the four main Bank-wide risk dimensions. Climate issues are part of our decision-making process and are now integrated into our strategy. Addressing such risk may even prove to be a considerable asset in certain financing or investment transactions, and doing so contributes to promoting exemplary practices to the Bank's stakeholders. Identification and assessment: Climate-related physical and transition risks are identified and integrated into the Bank's risk identification process through the assessement of the relative importance of impacts and mapping them. Quantification Quantification of exposure to climate risks is carried out and communicated in order to define our risk appetite How › Develop analyses of climate scenarios and relevant stress tests › Integrate climate risks into our risk assessment models › Define climate risk indicators › Define climate risk appetite indicators Management Management and control processes ensure material climate risks are identified, measured, monitored and reported at the appropriate time How › Develop capacity and expertise across all of the Bank's lines of defence › Implement control measures

Row 3

(2.2.2.1) Environmental issue

Select all that apply
☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply
☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Medium-term

(2.2.2.11) Location-specificity used

Select all that apply

☑ National

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ NGOs

☑ Regulators

☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

Following a strategic review of the new three-year plan, the Bank concretized its ambition by formalizing three climate priorities and developing an implementation plan, integrating concrete initiatives and guided by our structured financing and investment activities, decision-making process and climate commitments. Our approach to addressing our climate priorities is 1. Achieve net-zero by 2050: Reduce greenhouse gas (GHG) emissions from our financing and operations activities 2. Support our clients: Actively support and advise our clients in their transition to a low- arbon economy and support the development of the renewable energy sector 3. Exercise our leadership influence: Engage with our clients and collaborate with our peers, banking organizations and the public sector

Row 4

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Not defined

(2.2.2.9) Time horizons covered

Select all that apply

☑ Medium-term

(2.2.2.11) Location-specificity used

Select all that apply

☑ National

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

In 2023, we strengthened our new ESG governance structure, designed to accelerate the implementation of our initiatives and drive the achievement of our net-zero target and priorities. The structure is divided into three working groups, with defined roles and responsibilities. These groups ensure, in particular, to: 1. support the development and implementation of ESG strategies, including a climate strategy and alignment with business sectors; 2. develop the ESG data management and optimization strategy, including climate data; and 3. integrate new regulations and disclosure obligations into external non-financial reports. This allows us to address climate issues in a coordinated manner, with a hands-on approach. Jointly, our four business sectors ensure that the Bank's net-zero target is considered when developing their respective business strategy and decision-making process, which are specific to their clients' business realities. We continue to reimagine our business model to align our practices with our net-zero target and climate priorities. These efforts include developing tools to guide business decisions and implementing rigorous decision-making processes. The Bank continues to integrate climate risk into its risk management framework. Our objective is to continue developing our analytical skills (including scenario analysis) to identify, quantify and disclose the vulnerability to climate risk of various industries and business sectors. We are gradually integrating climate indicators into the risk appetite framework, and ESG criteria into the credit adjudication and private equity investment process. We also continue to work with our peers, regulatory agencies and international organizations to improve our climate risk management and disclosure framework.

[Add row]

(2.2.4) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts related to your portfolio activities?

Banking (Bank)

(2.2.4.1) Process in place covering this portfolio

Select from:

☑ No, but we plan to within the next two years

(2.2.4.3) Primary reason for not evaluating dependencies and/or impacts related to this portfolio

Select from:

☑ No standardized procedure

(2.2.4.4) Explain why you do not evaluate dependencies and/or impacts related to this portfolio and describe any plans to evaluate this in the future

The Bank has been providing ongoing support to the United Nations Environment Programme Finance Initiative for years. As part of this support, the Bank works with the UNEP FI community on a wide range of issues, including climate and biodiversity. On this last point, the Bank is committed to working with the biodiversity community to raise awareness among financial institutions of biodiversity issues and their financial impact.

Investing (Asset manager)

(2.2.4.1) Process in place covering this portfolio

Select from:

☑ No, but we plan to within the next two years

(2.2.4.3) Primary reason for not evaluating dependencies and/or impacts related to this portfolio

Select from:

☑ Not an immediate strategic priority

(2.2.4.4) Explain why you do not evaluate dependencies and/or impacts related to this portfolio and describe any plans to evaluate this in the future

The Bank has been providing ongoing support to the United Nations Environment Programme Finance Initiative for years. As part of this support, the Bank works with the UNEP FI community on a wide range of issues, including climate and biodiversity. On this last point, the Bank is committed to working with the biodiversity community to raise awareness among financial institutions of biodiversity issues and their financial impact.

Investing (Asset owner)

(2.2.4.1) Process in place covering this portfolio

Select from:

☑ No, but we plan to within the next two years

(2.2.4.3) Primary reason for not evaluating dependencies and/or impacts related to this portfolio

Select from:

☑ Not an immediate strategic priority

(2.2.4.4) Explain why you do not evaluate dependencies and/or impacts related to this portfolio and describe any plans to evaluate this in the future

The Bank has been providing ongoing support to the United Nations Environment Programme Finance Initiative for years. As part of this support, the Bank works with the UNEP FI community on a wide range of issues, including climate and biodiversity. On this last point, the Bank is committed to working with the biodiversity community to raise awareness among financial institutions of biodiversity issues and their financial impact.
[Fixed row]

(2.2.5) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities related to your portfolio activities?

Banking (Bank)

(2.2.5.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.5.2) Risks and/or opportunities related to this portfolio are evaluated in this process

Select from:

☑ Both risks and opportunities

Investing (Asset manager)

(2.2.5.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.5.2) Risks and/or opportunities related to this portfolio are evaluated in this process

Select from:
☑ Both risks and opportunities

Investing (Asset owner)

(2.2.5.1) Process in place covering this portfolio

Select from:
☑ No, but we plan to within the next two years

(2.2.5.4) Primary reason for not evaluating risks and/or opportunities related to this portfolio

Select from:
☑ Not an immediate strategic priority

(2.2.5.5) Explain why you do not evaluate risks and/or opportunities related to this portfolio and describe any plans to do so in the future

To date, we are still in the process of identifying and evaluating the most appropriate calculation methodology and database to determine the carbon footprints of our whole portfolio, especially those of scope 3. That being said, each mandate or investment is subject to due diligence, discussion, and appropriate analysis of significant ESG elements (including climate-related risks and opportunities) that may influence, positively or negatively, the investment decision.
[Fixed row]

(2.2.6) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities related to your portfolio activities.

Banking (Bank)

(2.2.6.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

☑ Risks

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Fossil Fuels
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies
☑ Transportation services

(2.2.6.6) Frequency of assessment

Select from:

☑ Annually

(2.2.6.7) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.6.8) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply

☑ Local

☑ National

(2.2.6.10) Tools and methods used

Select all that apply

☑ Internal tools/methods

☑ Portfolio temperature alignment

☑ Scenario analysis

☑ Stress tests

(2.2.6.11) Risk type and criteria considered

Acute physical

☑ Flood (coastal, fluvial, pluvial, ground water)

Policy

☑ Carbon pricing mechanisms

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Lending that could create or contribute to systemic risk for the economy

(2.2.6.12) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

(2.2.6.13) Further details of process

Over the past years, the Bank has continued to carry out various analyses of its financing activities to achieve a better understanding of its exposure to climate transition risks. These analyses have enabled concrete action as part of the sectoral limit review process. An ESG section is now included to evaluate industry risk in this area. Sectoral limits are set to mitigate economic, concentration and now ESG risks (including climate-related risks) by recommending a maximum exposure amount for some industry sectors according to various criteria. A dashboard to follow these limits is disclosed to the business units and credit risk sector every quarter. We also carry out analyses of the vulnerability of the loan portfolio to physical and transition risks for all our financing activities. Concentration risk for the loan portfolio is also assessed periodically to ensure that there is no significant climate-related impact. A matrix that cross-references physical and transition risk by sector and by industry has been developed to allow the Risk Management sector to understand which sectors of the loan portfolio are most affected by climate related risks. As part of its credit adjudication process, the Bank has developed and implemented a process to assess and quantify the impact of climate change on its strategy and results. For non-retail clients in specific industries affected by these risks, the impact of climate change is discussed with clients at least once a year as part of the credit origination or renewal process. The Bank's climate risk management is based on a series of internal policies, mainly the Environmental risk management policy for financing activities. This policy clearly states the principles used to identify and mitigate environmental and climate risks and their impacts on industry sectors and society as a whole. In line with its commitments to net-zero emissions by 2050, the Bank continues to quantify its financed emissions and set interim net-zero targets for carbon-intensive sectors. In 2023, the Bank made progress towards net-zero emissions by setting two additional interim targets for the Power Generation and Commercial Real Estate sectors, in line with PCAF recommendations for these asset classes. In 2024, the Bank made another step towards its objectif and by working on two additional targets for agriculture and transportation sectors.

Investing (Asset manager)

(2.2.6.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

☑ Risks

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(2.2.6.6) Frequency of assessment

Select from:

☑ Not defined

(2.2.6.7) Time horizons covered

Select all that apply

☑ Short-term
☑ Medium-term
☑ Long-term

(2.2.6.8) Integration of risk management process

Select from:
☑ Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply
☑ Not location specific

(2.2.6.10) Tools and methods used

Select all that apply
☑ Portfolio temperature alignment
☑ Risk models

(2.2.6.11) Risk type and criteria considered

Acute physical
☑ Flood (coastal, fluvial, pluvial, ground water)

Policy
☑ Carbon pricing mechanisms

Reputation
☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback
☑ Lending that could create or contribute to systemic risk for the economy

(2.2.6.12) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

(2.2.6.13) Further details of process

National Bank Investments (NBI) partners with some external portfolio managers who incorporate climate risk in their investment processes, such as a Climate Risk Exposure Score/Climate Mitigation Score or climate change tilts. This represents a minor part of our portfolio. NBI has access to quantitative and qualitative reports on such matters on those funds. National Bank Investments added excellence criteria to it's OP4 analysis framework in 2021, used to select and monitor external portfolio managers. Most of the changes are related to the pilar, providing a more in dept analysis of ESG criteria used by the portfolio managers responsible of selecting securities for our funds and investment solutions. Criteria related to climate change, such as carbon intensity and alignment with net-zero for example, have been added to the pillar.

Banking (Bank)

(2.2.6.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

☑ Opportunities

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

☑ Retail

☑ Fossil Fuels

☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(2.2.6.6) Frequency of assessment

Select from:
☑ Not defined

(2.2.6.7) Time horizons covered

Select all that apply
☑ Not defined

(2.2.6.9) Location-specificity used

Select all that apply
☑ National

(2.2.6.10) Tools and methods used

Select all that apply
☑ Internal tools/methods

(2.2.6.11) Risk type and criteria considered

Acute physical
☑ Flood (coastal, fluvial, pluvial, ground water)

Policy

☑ Carbon pricing mechanisms

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Lending that could create or contribute to systemic risk for the economy

(2.2.6.12) Partners and stakeholders considered

Select all that apply

☑ Customers

(2.2.6.13) Further details of process

In 2023, we strengthened our new ESG governance structure, designed to accelerate the implementation of our initiatives and drive the achievement of our net-zero target and priorities. The structure is divided into three working groups, with defined roles and responsibilities. These groups ensure, in particular, to: 1. support the development and implementation of ESG strategies, including a climate strategy and alignment with business sectors; 2. develop the ESG data management and optimization strategy, including climate data; and 3. integrate new regulations and disclosure obligations into external non-financial reports. This allows us to address climate issues in a coordinated manner, with a hands-on approach. Jointly, our four business sectors ensure that the Bank's net-zero target is considered when developing their respective business strategy and decision-making process, which are specific to their clients' business realities. We continue to reimagine our business model to align our practices with our net-zero target and climate priorities. These efforts include developing tools to guide business decisions and implementing rigorous decision-making processes.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ No

(2.2.7.3) Primary reason for not assessing interconnections between environmental dependencies, impacts, risks and/or opportunities

Select from:
☑ No standardized procedure

(2.2.7.4) Explain why you do not assess the interconnections between environmental dependencies, impacts, risks and/or opportunities

While we continue to improve our process to identify and mitigate risks and opportunities, and have internal mechanisms to identify and mitigate certain environmental impacts, such as our carbon footprint, we have yet to include the interconnections between environmental dependencies, impacts, risks and/or opportunities.
[Fixed row]

(2.2.8) Does your organization consider environmental information about your clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process?

Banking (Bank)

(2.2.8.1) We consider environmental information

Select from:
☑ Yes

Investing (Asset manager)

(2.2.8.1) We consider environmental information

Select from:
☑ Yes

Investing (Asset owner)

(2.2.8.1) We consider environmental information

Select from:

☑ No, but we plan to within the next two years

(2.2.8.2) Explain why you do not consider environmental information

We have begun to analyze the environmental impacts of our investments on a holistic basis. We are actively working to implement analytical grids as part of our due diligence, which will allow us to consider climate risks in our investment decisions.
[Fixed row]

(2.2.9) Indicate the environmental information your organization considers about clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process, and how this influences decision-making.

Banking (Bank)

(2.2.9.1) Environmental issues covered

Select all that apply
☑ Climate change

(2.2.9.2) Type of environmental information considered

Select all that apply
☑ Emissions data
☑ Emissions reduction targets
☑ Climate transition plans
☑ Other, please specify :(classification of climate risks (transition and physical risks) based on the sector and industry

(2.2.9.3) Process through which information is obtained

Select all that apply
☑ Directly from the client/investee
☑ Public data sources

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply

☑ Materials

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ Transportation services

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

26

(2.2.9.6) Total portfolio value covered by the process

137764900000

Investing (Asset manager)

(2.2.9.1) Environmental issues covered

Select all that apply

☑ Climate change

(2.2.9.2) Type of environmental information considered

Select all that apply

☑ Emissions data

☑ Emissions reduction targets

☑ TCFD disclosures

(2.2.9.3) Process through which information is obtained

Select all that apply

☑ From an intermediary or business partner

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

100

(2.2.9.6) Total portfolio value covered by the process

146000000000
[Add row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative
☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Credit risk

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

As part of our risk inventory and annual climate scenario exercice process. Physical impact– decrease in repayment capacity or in the value of assets taken as security. Transition impact – financial impact of changes involving legislation and policies, technology and markets, such as lower revenues, higher operating costs, changes in consumer preferences, development of new technology and taxes on carbon emissions.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both within our direct operations or upstream value chain, and within our portfolio

Forests

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

While we have internal mechanisms to identify and mitigate certain environmental impacts, such as our carbon footprint, we have yet to address forests-related risks.

Water

(3.1.1) Environmental risks identified

Select from:
☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:
☑ Not an immediate strategic priority

(3.1.3) Please explain

While we have internal mechanisms to identify and mitigate certain environmental impacts, such as our carbon footprint, we have yet to address water-related risks.

Plastics

(3.1.1) Environmental risks identified

Select from:
☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:
☑ Not an immediate strategic priority

(3.1.3) Please explain

While we have internal mechanisms to identify and mitigate certain environmental impacts, such as our carbon footprint, we have yet to address plastics risks.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

☑ Increased partner and stakeholder concern or negative partner and stakeholder feedback

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☑ Reputational risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

(3.1.1.9) Organization-specific description of risk

The Bank acknowledges that the way it addresses climate change could affect its reputation and have an impact on its activities. As stakeholders' awareness of and concern over climate-related risks continue to grow, the Bank needs to respond in a thoughtful and deliberate manner. We need to understand and address the potential impact of climate change on our clients and activities, remain transparent in our practices and examine the sustainable business practices of third parties we work with. We want to apply the most rigorous corporate responsibility standards while having a positive impact on our stakeholders, who have constantly changing interests and concerns when it comes to climate change and other environmental issues. Our goal is to be more proactive and strategic in our communications and *our actions. As such, for many years now, reputation risk as it pertains to our sustainable development commitments (including climate) has been monitored, measured and disclosed quarterly. Results are presented in the reputation risk dashboard intended for senior management and the Risk Management Committee of the Board.*

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☑ Less than 1%

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Brand damage

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The financial cost have been quantified but not publicly disclosed and were deemed non material to the bank's financial stablility and resilence

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:
☑ No

(3.1.1.26) Primary response to risk

Engagement
☑ Align organization’s public policy engagement with its environmental strategy

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

N/A

(3.1.1.29) Description of response

The potential costs have not been determined yet

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical
☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply
☑ Operational risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ Canada

(3.1.1.9) Organization-specific description of risk

In 2022, in line with the operational risk management framework and the business continuity plan, the Integrated Risk Management team piloted a risk analysis exercise based on a disaster scenario. The scenario involved sudden, intense flooding in the Greater Montreal area. This scenario analysis allowed the Bank to integrate climate risks into its management approach for risks inherent in its business. The Bank analyzed the scenario and estimated its impact on risks related to its activities. Operational risk was quantified first, given the nature of the disaster. The mitigation strategies adopted by the Bank in the course of its business were also considered. The following aspects of the business continuity plan were therefore tested: › Availability of and access to activity and continuity sites › Risk that human resources would be unavailable over a long period › Risk related to the continuity of the activities of third parties › Technology risk (availability of essential IT services and key systems) Within the same exercice, the Bank also assessed the credit risk resulting from this scenario. It estimated the direct and indirect impact, considering the areas where it would be most vulnerable to this type of natural disaster. Credit losses in the most vulnerable areas were estimated. The Bank also considered the impact on liquidity and market risks as well as on its income.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:
☑ 21-30%

(3.1.1.11) Primary financial effect of the risk

Select from:
☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The results presented to management demonstrated the Bank's resilience. Our crisis management plans and framework allowed us to be agile in reacting to large-scale flooding, which had a limited impact on the Bank's capitalization (mainly resulting from credit losses).

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Improve monitoring of direct operations

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

N/A

(3.1.1.29) Description of response

The potential costs have not been determined ye

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Policy
☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply
☑ Policy and legal risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ Canada

(3.1.1.9) Organization-specific description of risk

Carbon pricing, in the form of carbon taxes and emissions trading systems, is an instrument that is increasingly integrated in regional and national policies under which the Bank operates. Canada, the United States, Cambodia, the United Kingdom, Ireland and France are the current jurisdictions where the Bank has activities and where such a system is implemented. For example, in Canada – where most of the Bank's activity takes place – there is a carbon pricing scheme that is likely to affect the Bank's operational costs and value of investments (especially the ones related to the energy and transportation sectors). Higher carbon taxes could thus increase the Bank's expenses associated with natural gas, fuel oil, steam and electricity consumption in buildings as well as business travel (transportation).

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☑ Less than 1%

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

If carbon tax is applied, we will have aditionnal costs to consider. The introduction or increase of carbon taxes will likely lead to higher energy costs in certain regions where we exercise our activities. These taxes could increase operating expenses related to energy use on Bank premises and business travel by Bank employees.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

943995

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

2468910

(3.1.1.25) Explanation of financial effect figure

Scope 12 (14 523) X 65 (minimum price) vs 170 (maximum price)

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

N/A

(3.1.1.29) Description of response

Implementing concrete actions to reduce our total footprint. Here are a few examples: › Reducing employee business travel by promoting virtual meetings, such as video conferencing › Continuing to focus on energy efficiency and applying LEED assessment system criteria to our buildings › Moving to the new head office and centralizing teams from various buildings in Montreal › Gradually retiring heating, ventilating and air conditioning (HVAC) equipment that uses natural gas at sites in Quebec, Ontario and Manitoba and replacing it with fully electric systems.s

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk5

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

☑ Lending that could create or contribute to systemic risk for the economy

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☑ Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

(3.1.1.9) Organization-specific description of risk

Related to the energy transition movement and extreme weather events could result in a decreased ability for a counterparty to make repayments or in a decrease in the value of assets pledged as collateral. Ultimately, environmental risk can lead to both a higher probability of default and higher loss given default among counterparties.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☑ 11-20%

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Not at the moment since the Climate scenario results demonstrate the credit loss are under the Banks materiality threshold

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:
☑ No

(3.1.1.26) Primary response to risk

Policies and plans
☑ Develop a climate transition plan

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

N/A

(3.1.1.29) Description of response

The potential costs have not been determined yet

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical
☑ Other chronic physical risk, please specify

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☑ Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

(3.1.1.9) Organization-specific description of risk

Concerning drought, an example of sensitive activities is the agricultural sector. The Bank's agricultural sector portfolio represents 3% of the total loan book (7.9 Billion CAD). Increased severity and frequency of extreme weather may expose the Bank to credit losses such as: a) unexpectedly make the obligor unable to honor its obligations towards the Bank; b) decrease the value of the Bank's security such as to result in a loss in the event of default, or increase such loss in the event of default beyond initial projections.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☑ 1-10%

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Not at the moment since the Climate scenario results demonstrate the credit loss are under the Banks materiality threshold

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Policies and plans

☑ Other policies or plans, please specify :increase the frequency of scenario analysis and stress testing and work with our clients to define an action plan to mitigate the risk.

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

N/A

(3.1.1.29) Description of response

The potential costs have not been determined yet
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Other, please specify :Loan portfolio

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

28000000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

34000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 1-10%

(3.1.2.7) Explanation of financial figures

We use our Vulnerability of the loan portfolio to climate risks and did a internal deep dive of certains industries.
[Add row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.6.1) Environmental opportunities identified

Select from:
☑ Yes, we have identified opportunities, and some/all are being realized

Forests

(3.6.1) Environmental opportunities identified

Select from:
☑ No

(3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

Select from:
☑ Not an immediate strategic priority

(3.6.3) Please explain

We consider forests to be an important issue, but we choose to prioritize other actions in line with our climate-related commitments to international frameworks and agreements, due to limited capacity. These include the Net Zero Banking Alliance, the Principles for Responsible Banking, the Principles for Responsible Investment and the recommendations of the Task Force on Climate-related Financial Disclosures, all of which are aligned with the goals of the Paris Agreement on climate. The

Bank's activities are conducted in accordance with Canadian applicable laws, such as our Forest Funding Program guaranteed under the Sustainable Forest Development Act of the Province of Quebec where the majority of the Bank's activities take place.

Water

(3.6.1) Environmental opportunities identified

Select from:

☑ No

(3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

Select from:

☑ Not an immediate strategic priority

(3.6.3) Please explain

The Bank acknowledges water as a valuable resource and conducts its activities in accordance with Canadian applicable laws. We consider water security to be an important issue, but we must prioritize other actions in line with our climate-related commitments to international frameworks and agreements, due to limited capacity.
[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.2) Commodity

Select all that apply

☑ Not applicable

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Shift in consumer preferences

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Investing (Asset manager) portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

☑ United States of America

(3.6.1.8) Organization specific description

National Bank Investments Inc. (NBI), a subsidiary of the Bank, aims to accelerate the growth and evolution of investment solutions and services to help investors achieve their financial objectives. In 2023, NBI reiterated its desire to be a force for change and sustainable finance through many initiatives related to responsible investment. For its internally managed funds, NBI has adopted a new "sustainable" voting rights policy. This initiative aims to maximize the positive impact of the leverage that the exercise of voting rights represents. It also allows NBI to contribute more to the adoption of sustainable practices by the companies in which it invests. NBI Sustainable Investments had assets under management of 4.1 billion as at October 31, 2023. The Bank offers responsible investment products to its National Bank Financial wealth management clients, including the MyWEALTH sustainable investment portfolios, which reflect the values of their clients who care about sustainable development. These portfolios are designed to perform and achieve high levels of sustainable investment.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The Bank offers responsible investment products to its National Bank Financial wealth management clients, including the MyWEALTH sustainable investment portfolios, which reflect the values of their clients who care about sustainable development. These portfolios are designed to perform and achieve high levels of sustainable investment.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

Not applicable

(3.6.1.26) Strategy to realize opportunity

Our subsidiary National Bank Investments (NBI) promotes on an ongoing basis its open architecture structure (it sub-advises exclusively to other firms the portfolio management of the funds built for its product shelf). It also puts forward its OP4 governance process, which takes into account the integration of ESG factors - including climate-related factors - in its assessment of external sub-advisors. For more information: https://www.nbinvestments.ca/about-us/our-approach.html
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Other, please specify **:**Liability - sustainable bonds

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

3300000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 100%

(3.6.2.4) Explanation of financial figures

Having developed one of the first Canadian reference frameworks for issuing sustainable bonds,1 the Bank has been a consistent issuer of sustainable bonds since 2019. Under the reference framework, these proceeds can be used to finance or refinance, in whole or in part, eligible businesses and eligible projects that fall within 9 categories, including Renewable Energy, Energy Efficiency, Sustainable Buildings and Low-Carbon Transportation. As at October 31, 2023, proceeds from the issuance of sustainable bonds were used to finance over 3.3 billion in green and social projects

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Assets

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

778000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 100%

(3.6.2.4) Explanation of financial figures

To support Real Estate sector clients through the transition, the Bank has set green loan issuance targets. In 2023, the Bank granted 10 green loans for a total of 778 million, exceeding the established objective of 750 million. Working with CMHC, green loans can obtain more advantageous loan terms and conditions to help our clients achieve carbon neutrality and support their long-term ESG strategy.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Other, please specify **:**Asset under management

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

4185000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 100%

(3.6.2.4) Explanation of financial figures

National Bank Investments Inc. (NBI), a subsidiary of the Bank, aims to accelerate the growth and evolution of investment solutions and services to help investors achieve their financial objectives. In 2023, NBI reiterated its desire to be a force for change and sustainable finance through many initiatives related to responsible investment. For its internally managed funds, NBI has adopted a new "sustainable" voting rights policy. This initiative aims to maximize the positive impact of the leverage that the exercise of voting rights represents. It also allows NBI to contribute more to the adoption of sustainable practices by the companies in which it invests. NBI Sustainable Investments had assets under management of 4.1 billion as at October 31, 2023. The Bank offers responsible investment products to its National Bank Financial wealth management clients, including the MyWEALTH sustainable investment portfolios, which reflect the values of their clients who care about sustainable development. These portfolios are designed to perform and achieve high levels of sustainable investment. They now serve over 2,000 unique clients for a total of 85 million in invested assets since December 1, 2020.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Assets

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

11000000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 100%

(3.6.2.4) Explanation of financial figures

Since 2019 and as at October 31, 2023, the Bank has disbursed 11 billion in capital for renewable energy projects in North America. We had provided over 8.7 billion in financing for projects in the wind, solar, battery and hydroelectricity sectors, accounting for 72% of our total authorized financing portfolio for projects related to the energy sector (project finance).

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The policy covers our goal, criteria, how to achieve the goal and assessing our progress. https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/gouvernance/pdf/ca/statement-diversity-bod.pdf

(4.1.6) Attach the policy (optional)

statement-diversity-bod.pdf

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue	Primary reason for no board-level oversight of this environmental issue	Explain why your organization does not have board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Forests	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*Not an immediate strategic priority*
Water	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*Not an immediate strategic priority*
Biodiversity	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*Not an immediate strategic priority*

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Board-level committee

☑ Other, please specify :ESG committee (Executive) Review and Governance Committee (Board) Risk Management Committee (Board)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

☑ Other policy applicable to the board, please specify :Mandate of the ESG committee Mandate of the Review and Governance Committee Mandate of Risk Management Committee Internal ESG Policy

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Overseeing and guiding public policy engagement

☑ Approving and/or overseeing employee incentives

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.6) Scope of board-level oversight

Select all that apply
☑ Risks and opportunities to our own operations
☑ Risks and opportunities to our banking activities
☑ The impact of our own operations on the environment
☑ Risks and opportunities to our investment activities
☑ The impact of our banking activities on the environment
☑ The impact of our investing activities on the environment

(4.1.2.7) Please explain

The Board pays close attention to social and environmental criteria in order to meet the changing needs of our society. The ESG governance framework relies on the fact that all levels of the organization contribute to our objectives and commitments, including directors, who through the various committees, exercise their role of oversight over ESG criteria. Consequently, in recent years, the Bank has adopted measures enabling it to extend its commitment in this regard, notably through structured ESG governance and by deploying a renewed environmental, social and governance strategy, which continues to be based on the ESG principles adopted by the Board in 2019. In addition to exercising a strategic oversight role, the Board ensures ESG governance practices are fair, transparent and supported by solid mechanisms, such as dialogue with stakeholders. The Board ensures that ESG criteria are integrated into long-term strategic objectives while monitoring the progress of ESG initiatives and commitments. The Board and its committees have all been assigned ESG responsibilities according to their respective roles and the expertise of their members. The objective being to ensure that the Bank's activities are conducted in accordance with stringent corporate responsibility standards. The Board and its committees are supported by the Senior Leadership Team, as well as by various internal committees such as the ESG Committee. ESG Committee: Led by the Chief Financial Officer and Executive Vice-President – Finance and the Senior Vice-President – Communications, Public Affairs and ESG, his is made up of experts representing the Bank's different sectors and a number of executives, including several members of the Senior Leadership Team. the main role is to establish and support the Bank's ESG strategy. His also serves as an ambassador in promoting a culture that supports the Bank's ESG ambitions. Members meet monthly. Supported by a management committee, three working groups and a team entirely dedicated to ESG, the Committee oversees the implementation of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the United Nations Principles for Responsible Banking and the Bank's commitments in terms of climate change. The ESG Committee communicates with the Senior Leadership Team as needed and the Conduct Review and Corporate Governance Committee twice a year in order to report on progress with respect to our various commitments and to follow up on our priorities under the strategic ESG plan. It also gives occasional presentations to other Board committees on topics of interest, such as climate commitments, inclusion, diversity and equity and the protection of personal information. The main ESG responsibilities and achievements of the Board and its committees are described in our Management proxy: https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/assemblee-annuelle/2024/nbc-circular-2024.pdf
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training
☑ Training in an environmental subject by a certified organization, please specify :-Future of Sustainability Reporting with ISSB Standards from: Institute of Corporate Director -Fundamentals of Climate Governance from: Institute of Corporate Director -Climate adaptation strategies and the role of Board from: Chapter Zero

Experience
☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

Other
☑ Other, please specify :See our 2024 Circular p. 84 and 85 (pdf p. 96-97):https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/assemblee-annuelle/2024/nbc-circular-2024.pdf

Forests

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ No, but we plan to within the next two years

(4.2.4) Primary reason for no board-level competency on this environmental issue

Select from:

☑ Not an immediate strategic priority

(4.2.5) Explain why your organization does not have a board with competence on this environmental issue

Not an immediate strategic priority

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ No, but we plan to within the next two years

(4.2.4) Primary reason for no board-level competency on this environmental issue

Select from:

☑ Not an immediate strategic priority

(4.2.5) Explain why your organization does not have a board with competence on this environmental issue

Not an immediate strategic priority
[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue	Primary reason for no management-level responsibility for environmental issues	Explain why your organization does not have management-level responsibility for environmental issues
Climate change	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Forests	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*Not an immediate strategic priority*
Water	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*Not an immediate strategic priority*
Biodiversity	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Environmental, Social, Governance committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Implementing the business strategy related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing environmental reporting, audit, and verification processes

(4.3.1.3) Coverage of responsibilities

Select all that apply

☑ Dependencies, impacts, risks, and opportunities related to our banking activities

☑ Dependencies, impacts, risks, and opportunities related to our investing activities

☑ Dependencies, impacts, risks and opportunities related to our own operations and/or upstream value chain

(4.3.1.4) Reporting line

Select from:

☑ Other, please specify :Reports to the Senior Leadership Team and to the Conduct Review and Corporate Governance Committee (Board) at least twice a year

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

Led by the Chief Financial Officer and Executive Vice-President – Finance and the Senior Vice-President – Communications, Public Affairs and ESG, the ESG Committee is made up of experts representing the Bank's different sectors and a number of executives, including several members of the Senior Leadership Team. This multidisciplinary team's main role is to establish and support the Bank's ESG strategy. The Committee also serves as an ambassador in promoting a culture that supports the Bank's ESG ambitions. Members meet monthly. Supported by a management committee, three working groups and a team entirely dedicated to ESG, the Committee oversees the implementation of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the United Nations Principles for Responsible Banking and the Bank's commitments in terms of climate change. The ESG Committee communicates with the Senior Leadership Team as needed and the Conduct Review and Corporate Governance Committee twice a year in order to report on progress with respect to our various commitments and to follow up on our priorities under the strategic ESG plan. It also gives occasional presentations to other Board committees on topics of interest, such as climate commitments, inclusion, diversity and equity and the protection of personal information. Ongoing constructive dialogue among various internal stakeholders in all the business lines and external stakeholders helps advance the Bank's ESG practices.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Environmental, Social, Governance committee

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Other, please specify **:**Reports to the Senior Leadership Team as needed and to the Conduct Review and Corporate Governance Committee twice a year

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

Led by the Chief Financial Officer and Executive Vice-President – Finance and the Senior Vice-President – Communications, Public Affairs and ESG, the ESG Committee is made up of experts representing the Bank's different sectors and a number of executives, including several members of the Senior Leadership Team. This multidisciplinary team's main role is to establish and support the Bank's ESG strategy. The Committee also serves as an ambassador in promoting a culture that supports the Bank's ESG ambitions. Members meet monthly. Supported by a management committee, three working groups and a team entirely dedicated to ESG, the Committee oversees the implementation of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the United Nations Principles for Responsible Banking and the Bank's commitments in terms of climate change. The ESG Committee communicates with the Senior Leadership Team as needed and the Conduct Review and Corporate Governance Committee twice a year in order to report on progress with respect to our various commitments and to follow up on our priorities under the strategic ESG plan. It also gives occasional presentations to other Board committees on topics of interest, such as climate commitments, inclusion, diversity and equity and the protection of personal information. Ongoing constructive dialogue among various internal stakeholders in all the business lines and external stakeholders helps advance the Bank's ESG practices.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

5

(4.5.3) Please explain

Among the priorities that we have set for ourselves in the mid-term, which will allow us to make ESG a lever for growth and an impact multiplier, the ones that were selected for the creation of the SYNERGY – Executives envelope in 2023 are presented in the management proxy circular. ESG priorities can influence the amount of the SYNERGY – Executives envelope by a result that can vary between 95% and 105%. As it is a multiplier, the 5% could be worth more or less depending on the results of the SYENRGIE envelope - Leaders

Forests

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ No, and we do not plan to introduce them in the next two years

(4.5.3) Please explain

There is ESG board-level oversight at the Bank but not specific to forests. We consider forests to be an important issue, but we must prioritize other actions in line with our climate-related commitments to international frameworks and agreements, due to limited capacity. These include the Net Zero Banking Alliance, the Principles for Responsible Banking, the Principles for Responsible Investment and the recommendations of the Task Force on Climate-related Financial Disclosures, all of which are aligned with the goals of the Paris Agreement on climate. The Bank's activities are conducted in accordance with Canadian applicable laws, such as our Forest Funding Program guaranteed under the Sustainable Forest Development Act of the Province of Quebec where the majority of the Bank's activities take place.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ No, and we do not plan to introduce them in the next two years

(4.5.3) Please explain

The Bank acknowledges water as a valuable resource and conducts its activities in accordance with Canadian applicable laws. We consider water security to be an important issue, but we must prioritize other actions in line with our climate-related commitments to international frameworks and agreements, due to limited capacity.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Other, please specify :Total Direct Compensation

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Increased green asset ratio of portfolio/fund

Emission reduction

☑ Reduction in emissions intensity

☑ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

SYNERGY – Executives is our compensation program for the President and Chief Executive Officer, executive officers and officers. It was rolled out in 2021. The SYNERGY – Executives program is summarized as follows: › A single collective compensation envelope funding the base salary as well as the short-, mid-, and long-term variable compensation of all executive officers and officers. › An envelope creation rate that is determined according to a scale that causes the creation rate to gradually decrease as the Bank's available net income (ANI) increases. › A One Mission performance multiplier that increases or decreases the envelope based on the achievement of key indicators. Our ESG priorities drive growth and multiply impacts. Their achievement is taken into consideration when creating the SYNERGY – Executives envelope. As it is a multiplier, the 5% could be worth more or less depending on the results of the SYENRGIE envelope - Leaders

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The table below lists the ESG priorities integrated into the creation of the SYNERGY – Executives envelope in 2023, as well as a summary of the main achievements. ESG priorities 2023 achievements Deliver on our commitments Disclosed two new interim targets for financed emissions as prescribed by the Net-Zero Banking Alliance for the commercial real estate and energy production sectors. Disclosed the carbon footprint measurement for financed emissions from oil and gas producers. Reduced greenhouse gas emissions from our own operations compared to 2019(1). Grew the renewable energy portfolio at a faster rate than the non-renewable one(1). Made progress in achieving the objectives of the three-year inclusion, diversity and equity plan. Several internal initiatives were rolled out, including the public disclosure of employment equity information and the talent acquisition strategy(2). Support our clients in their efforts for a just transition Deployed new sustainable products and services as well as grow both financing and investment volumes. Integration of ESG across all business segments. Several sustainable development loans granted to businesses. Created and reorganized certain activities and team mandates in order to better seize opportunities and support clients in the transition. Be transparent Disclosed our achievements in the ESG Report. Disclosed our climate strategy in the TCFD Report (Climate Report). Publication of our Inclusion, Diversity and Equity Booklet. Publication of our UN Principles for Responsible Banking Report.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Other C-Suite Officer, please specify

(4.5.1.2) Incentives

Select all that apply

☑ Other, please specify :Total direct compensation

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Increased green asset ratio of portfolio/fund

Emission reduction

☑ Reduction in emissions intensity

☑ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

Other executives: The objectives approved for the President and CEO apply to all Executive Officers and officers. They share a single scorecard with common objectives and ESG priorities We incorporate ESG matters into our business decisions. These objectives support the financial and non-financial indicators used to balance the interests of the various stakeholders. This includes implementing our plan to achieve net-zero greenhouse gas emissions for our operations and financing by 2050 and strengthening our support to clients during the transition. As we continue to grow our renewable energy loan portfolio faster than the non-renewable energy loan portfolio, decarbonization criteria and data related to our high-emission limits are now integrated into our loan and underwriting practices. We are also *deploying capital to seize business opportunities in the renewable energy sector and to expand our tailored offering of sustainable products and services across all of our business units.:*

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

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Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Other, please specify :Total Direct Compensation

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Increased green asset ratio of portfolio/fund

Emission reduction

☑ Reduction in emissions intensity

☑ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The objectives approved for the President and CEO apply to all Executive Officers and officers. They share a single scorecard with common objectives and ESG priorities We incorporate ESG matters into our business decisions. These objectives support the financial and non-financial indicators used to balance the interests of the various stakeholders. This includes implementing our plan to achieve net-zero greenhouse gas emissions for our operations and financing by 2050 and strengthening our support to clients during the transition. As we continue to grow our renewable energy loan portfolio faster than the non-renewable energy loan portfolio, decarbonization criteria and data related to our high-emission limits are now integrated into our loan and underwriting practices. We are also deploying capital to seize business opportunities in the renewable energy sector and to expand our tailored offering of sustainable products and services across all of our business units.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The table below lists the ESG priorities integrated into the creation of the SYNERGY – Executives envelope in 2023, as well as a summary of the main achievements. ESG priorities 2023 achievements Deliver on our commitments Disclosed two new interim targets for financed emissions as prescribed by the Net-Zero Banking Alliance for the commercial real estate and energy production sectors. Disclosed the carbon footprint measurement for financed emissions from oil and gas producers. Reduced greenhouse gas emissions from our own operations compared to 2019(1). Grew the renewable energy portfolio at a faster rate than the non-renewable one(1). Made progress in achieving the objectives of the three-year inclusion, diversity and equity plan. Several internal initiatives were rolled out, including the public disclosure of employment equity information and the talent acquisition strategy(2). Support our clients in their efforts for a just transition Deployed new sustainable products and services as well as grow both financing and investment volumes. Integration of ESG across all business segments. Several sustainable development loans granted to businesses. Created and reorganized certain activities and team mandates in order to better seize opportunities and support clients in the transition. Be transparent Disclosed our achievements in the ESG Report. Disclosed our climate strategy in the TCFD Report (Climate Report). Publication of our Inclusion, Diversity and Equity Booklet. Publication of our UN Principles for Responsible Banking Report.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

This policy sets out National Bank's commitment to protect the environment from human activity with regard to our own activities and how they benefit the community. The guiding principles and commitments outlined in this policy apply to National Bank and its main subsidiaries (the "Bank"). The application of the policy may differ depending on the context. When local legislation diverges from our directives, the following guidelines apply: › If local legislation is stricter, it applies in addition to the Bank's policies. › If local legislation is less strict, the Bank's policies apply in addition to this legislation. We undertake to do everything in our power to promote respect for the environment. › If there is a conflict, we act in accordance with local legislation and undertake to do everything in our power to promote respect for the environment.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Other environmental commitment, please specify :growing the portfolio of renewable energy at a faster pace than non-renewable + all paper used by the Bank is FSC certified

Climate-specific commitments

☑ Commitment to net-zero emissions

Water-specific commitments

☑ Commitment to reduce water consumption volumes

Social commitments

☑ Commitment to promote gender equality and women's empowerment

☑ Commitment to respect internationally recognized human rights

Additional references/Descriptions

☑ Reference to timebound environmental milestones and targets

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:
☑ Publicly available

(4.6.1.8) Attach the policy

policy-environment.pdf
[Add row]

(4.7) Does the policy framework for the portfolio activities of your organization include environmental requirements that clients/investees need to meet, and/or exclusion policies?

Banking (Bank)

(4.7.1) Policy framework for portfolio activities include environmental requirements for clients/investees, and/or exclusion policies

Select from:
☑ Yes, we have exclusion policies for industries, activities and/or locations exposed or contributing to environmental risks

(4.7.2) Primary reason for not including both policies with environmental client/investee requirements and environmental exclusion policies in your policy framework for portfolio activities

Select from:
☑ Not an immediate strategic priority

(4.7.3) Explain why the policy framework for your portfolio activities does not include both policies with environmental client/investee requirements and environmental exclusion policies

Not an immediate strategic priority

Investing (Asset manager)

(4.7.1) Policy framework for portfolio activities include environmental requirements for clients/investees, and/or exclusion policies

Select from:

☑ Yes, we have exclusion policies for industries, activities and/or locations exposed or contributing to environmental risks

(4.7.2) Primary reason for not including both policies with environmental client/investee requirements and environmental exclusion policies in your policy framework for portfolio activities

Select from:

☑ Other, please specify **:**The exclusions can only be formalized with sub-advisors for which we have a contractual agreement. Some products buy units of existing funds, therefore we cannot enforce these exclusions across all AUM, only the majority of it.

(4.7.3) Explain why the policy framework for your portfolio activities does not include both policies with environmental client/investee requirements and environmental exclusion policies

The exclusions can only be formalized with sub-advisors for which we have a contractual agreement. Some products buy units of existing funds, therefore we cannot enforce these exclusions across all AUM, only the majority of it.

Investing (Asset owner)

(4.7.1) Policy framework for portfolio activities include environmental requirements for clients/investees, and/or exclusion policies

Select from:

☑ No, and we do not plan to include environmental requirements and/or exclusion policies in our policy framework in the next two years

(4.7.2) Primary reason for not including both policies with environmental client/investee requirements and environmental exclusion policies in your policy framework for portfolio activities

Select from:

☑ Not an immediate strategic priority

(4.7.3) Explain why the policy framework for your portfolio activities does not include both policies with environmental client/investee requirements and environmental exclusion policies

Not an immediate strategic priority
[Fixed row]

(4.7.2) Provide details of your exclusion policies related to industries, activities and/or locations exposed or contributing to environmental risks.

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:
☑ Thermal coal

(4.7.2.2) Fossil fuel value chain

Select all that apply
☑ Upstream

(4.7.2.3) Year of exclusion implementation

2020

(4.7.2.4) Phaseout pathway

Select all that apply
☑ New business/investment for new projects

(4.7.2.5) Year of complete phaseout

2050

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Canada

☑ United States of America

(4.7.2.7) Description

The Bank has also confirmed its commitment not to finance new thermal coal mining and processing activities.

Investing (Asset manager)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Thermal coal

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Midstream

(4.7.2.3) Year of exclusion implementation

2023

(4.7.2.4) Phaseout pathway

Select all that apply

☑ Other, please specify :Companies deriving more than 5% of their revenues from mining thermal coal

(4.7.2.5) Year of complete phaseout

2050

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Companies deriving more than 5% of their revenues from mining thermal coal

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Arctic oil and gas

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

(4.7.2.3) Year of exclusion implementation

2020

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

(4.7.2.5) Year of complete phaseout

2050

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Canada

☑ United States of America

(4.7.2.7) Description

Over the past few years, the Bank has enhanced its environmental commitments and made an official commitment not to offer or grant new financing related to oil and gas exploration, exploitation, or production in the Arctic, given the fragility of this environment and the fact that it's likely to become more attractive to investors over the coming decades.

Investing (Asset manager)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Arctic oil and gas

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Midstream

(4.7.2.3) Year of exclusion implementation

2023

(4.7.2.4) Phaseout pathway

Select all that apply

☑ Other, please specify **:**Companies deriving more than 5% of their revenues from oil & gas Exploration and extraction in offshore arctic regions.

(4.7.2.5) Year of complete phaseout

2050

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Companies deriving more than 5% of their revenues from oil & gas Exploration and extraction in offshore arctic regions.
[Add row]

(4.8) Does your organization include covenants in financing agreements to reflect and enforce your environmental policies?

	Covenants included in financing agreements to reflect and enforce policies
	Select from: ☑ Yes

[Fixed row]

(4.8.1) Provide details of the covenants included in your organization's financing agreements to reflect and enforce your environmental policies.

	% of clients covered by covenants	% of portfolio covered in relation to total portfolio value
Row 1	*0*	*0*

[Add row]

(4.9) Does your organization offer its employees a pension scheme that incorporates environmental criteria in its holdings?

Climate change

(4.9.1) Pension scheme incorporates environmental criteria in its holdings

Select from:

☑ Yes, as an investment option

(4.9.2) Describe how funds within the pension scheme are selected and how your organization ensures that environmental criteria are incorporated

• Yes, as an investment option: Within the defined contributions components of the schemes, participating employees are provided with a list of selected funds (including ESG options) from which they decide where to invest. Employees that are seeking to align their investment decisions with their desire to promote a better future have access to Sustainable lineup. Part of the investment objective of these funds and ETFs is to align with the United Nations SDGs. Also, participating employees have access to a wide range of funds that are using one or more ESG approaches as part of their investment strategies. These ESG strategies are described in the prospectus, for each of the funds using them. • Offered as a default investment option: Employees enrolled in the defined benefits components of the schemes subscribe to a default investment option which integrates ESG factors. By incorporating them into its investment decisions, the Master Trust Fund for the participating pension plans of NBC aspires to better manage the risks of economic and environmental transition as well as the promotion and consistency of the values and orientations of Canadian society. While we are in the process of implementing new tools and analytical grids, and more robust documentation, each mandate or investment is subject to due diligence, discussion, and appropriate analysis of significant ESG elements that may influence, positively or negatively, the investment decision. In addition, we implement an Effective Challenge process to cover blind spots and create and track key indicators that allow us to assess progress towards our objectives. Our investment choices are made according to the following precepts: o To have a concerted action and alignment with the Bank in terms of responsible investment, including the environmental aspect, by aligning our values and our methodologies of analysis. o To foster the growth of the Fund by assigning mandates to internal and external managers who demonstrate expertise in responsible investing in line with our values and ESG identity. o Have a vision of the total positioning of our portfolio. o Promote and increase disclosure and transparency.

Forests

(4.9.1) Pension scheme incorporates environmental criteria in its holdings

Select from:

☑ Yes, as an investment option

(4.9.2) Describe how funds within the pension scheme are selected and how your organization ensures that environmental criteria are incorporated

• *Defined contributions components of the schemes: Same answer as above. • Defined benefits components of the schemes: We consider forests to be an important issue. However, due to limited capacity, our primary focus is on climate change issues which is in alignment to support National Bank of Canada's climate-related commitments to international frameworks and agreements.*

Water

(4.9.1) Pension scheme incorporates environmental criteria in its holdings

Select from:

☑ Yes, as an investment option

(4.9.2) Describe how funds within the pension scheme are selected and how your organization ensures that environmental criteria are incorporated

• *Defined contributions component of the schemes: Same answer as above. • Defined benefits components of the schemes: We acknowledge water as a valuable resource and conduct our activities in accordance with Canadian applicable laws. We consider water security to be an important issue. However, due to limited capacity, we must prioritize other actions in alignment to support National Bank of Canada's climate-related commitments to international frameworks and agreements.*

[Fixed row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ UNEP FI

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ Net Zero Banking Alliance ☑ Other, please specify :**Statement by the Quebec Financial Centre for a Sustainable Finance; Risk Management Association (RMA) - Climate Risk Consortium; CBA; Climate Engagement Canada; Responsible Investment Association (RIA); Canadian Investor Statement on Climate Change**

☑ Principles for Responsible Investment (PRI)

☑ UNEP FI Principles for Responsible Banking

☑ Partnership for Carbon Accounting Financials (PCAF)

(4.10.3) Describe your organization's role within each framework or initiative

Voluntary disclosure on targets and progress according to the frameworks and methodologies that the Bank is a signatory of.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

2023 Climate Report.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Carrefour Lobby Québec (ID: 202223370) and Office of the Commissioner of Lobbying of Canada (ID: 950254-15422).

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

In line with our ESG strategy, the Bank puts in place different initiatives to reduce its negative impact on the environment, including climate-related impacts. These initiatives are consistent with the Bank's involvement in different activities that could directly or indirectly influence public policy. The Bank collaborates with various groups as a signatory of the UN PRB, to align strategies with the UN SDGs and the objectives of the Paris Agreement. To support the energy transition, the Bank works with peers to advance methodology and improve the quality of climate data through the Partnership for Carbon Accounting Financials (PCAF), The Bank's involvement in national and international initiatives includes: › Public consultations with the regulatory agencies for various industries › Analyzing climate scenarios › Integrating climate-related concepts into risk management › Monitoring key developments and best practices › Standardizing calculation methodologies › Peer-to-peer comparison exercises. The Bank also participates in various industry events to streamline the energy transition and encourage people to adopt environmentally conscious behaviours. Furthermore, it continues to promote sound governance and the overall alignment of climate disclosures, complemented by industry-specific measures.

[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

CSA

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Other

☑ Climate transition plans

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Canada

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Other trade association in North America, please specify :Responsible Investment Association (RIA) of Canada

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

National Bank Investments Inc. (NBI), a wholly owned subsidiary of the Bank, is a signatory of the United Nations Principles for Responsible Investment and a member of the Responsible Investment Association (RIA) of Canada. NBI supports RIA's position on climate change and is a signatory of their Canadian Investor Statement on Climate Change. Here is RIA's position: https://www.riacanada.ca/investor-statement-climate-change/

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

21134

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

• Funding to have NBI products presented during a session of RIA's retail product knowledge series • Funding for the Responsible Investment Association conference • Annual fee

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Kunming-Montreal Global Biodiversity Framework

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Governance
☑ Risks & Opportunities
☑ Strategy
☑ Emissions figures
☑ Emission targets

(4.12.1.6) Page/section reference

4-46

(4.12.1.7) Attach the relevant publication

2023 Climate Report.pdf

(4.12.1.8) Comment

For five years now, National Bank has been closely applying the recommendations of TCFD, which are the basis for the two definitive standards issued by the International Sustainability Standards Board in June 2023 that will serve as a benchmark for sustainability-related information disclosure in the coming years.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

Forests

(5.1.1) Use of scenario analysis

Select from:

☑ No, and we do not plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Insufficient data

(5.1.4) Explain why your organization has not used scenario analysis

We consider forests to be an important issue, but we must prioritize other actions in line with our climate-related commitments to international frameworks and agreements, due to limited capacity. These include the Net Zero Banking Alliance, the Principles for Responsible Banking, the Principles for Responsible Investment and the recommendations of the Task Force on Climate-related Financial Disclosures, all of which are aligned with the goals of the Paris Agreement on climate.

Water

(5.1.1) Use of scenario analysis

Select from:

☑ No, and we do not plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Insufficient data

(5.1.4) Explain why your organization has not used scenario analysis

The Bank acknowledges water as a valuable resource and conducts its activities in accordance with Canadian applicable laws. We consider water security to be an important issue, but we must prioritize other actions in line with our climate-related commitments to international frameworks and agreements, due to limited capacity.
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ NGFS scenarios framework, please specify **:**Phase 4 : Net-Zero 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:
☑ Facility

(5.1.1.5) Risk types considered in scenario

Select all that apply
☑ Chronic physical
☑ Policy
☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 1.5°C or lower

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2025
☑ 2030
☑ 2040
☑ 2050

(5.1.1.9) Driving forces in scenario

Finance and insurance
☑ Cost of capital

Regulators, legal and policy regimes
☑ Global regulation

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Policy reaction: Immediate - Technology change: Fast Change - Use CDR: Medium high Use - Variation regional policy: Medium Variation - Price of carbon in 2050: 1,249US / T CO2e

(5.1.1.11) Rationale for choice of scenario

Scenarios with regulatory emphasis

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ NGFS scenarios framework, please specify **:**Immediate intervention (Below 2 C)

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Facility

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Chronic physical

☑ Policy

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.6ºC - 1.9ºC

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Finance and insurance

☑ Cost of capital

Regulators, legal and policy regimes

☑ Global regulation

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Policy reaction: Immediate and smooth - Technology change: Moderate Change - Use CDR: Medium use - Variation regional policy: Low Variation - Price of carbon in 2050: 511US / T CO2e

(5.1.1.11) Rationale for choice of scenario

Scenarios with regulatory emphasis

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ NGFS scenarios framework, please specify **:**Delayed transition below 2C

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Facility

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Chronic physical
☑ Policy
☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 1.6ºC - 1.9ºC

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2025
☑ 2030
☑ 2040
☑ 2050

(5.1.1.9) Driving forces in scenario

Finance and insurance
☑ Cost of capital

Regulators, legal and policy regimes
☑ Global regulation

Direct interaction with climate
☑ On asset values, on the corporate

Macro and microeconomy
☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Policy reaction: Delayed - Technology change: Slow and Fast Change - Use CDR: Medium Use - Variation regional policy: High Variation - Price of carbon in 2050: 1,067US / T CO2e

(5.1.1.11) Rationale for choice of scenario

Scenarios with regulatory emphasis
[Add row]

(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Resilience of business model and strategy

☑ Capacity building

(5.1.2.2) Coverage of analysis

Select from:

☑ Portfolio

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

To refine its strategy and improve its climate resilience, for the past three years the Bank has carried out analyses of the impact on its loan portfolio, based on various climate scenarios. These analyses also enable us to determine how the economy will be affected and identify financial risks that could impact our assets under each scenario. For instance, in the case of our loan portfolio, these financial impacts may be used to estimate expected losses (EL) for portfolios, probability of default (PD) and loss given default (LGD) for each scenario. The Bank used the climate scenarios recommended by the Network for Greening the Financial System (NGFS–Phase 4).1 We also had our macroeconomic assumptions behind these scenarios reviewed by our economic research team to ensure consistency with our loan

portfolios and we monitored the various regulatory exercises at the international level to guide our work. We also aligned our choice of scenarios with those proposed by our regulator, the Office of the Superintendent of Financial Institutions Canada, as part of its upcoming standardized climate scenarios exercise. We selected the GCAM 6.0 Model (IAM) and the following three scenarios: Net-Zero 2050, Immediate intervention (below 2 C) and Delayed intervention (below 2 C). Following scenario analyses performed for our commercial loans, we observed low to moderate financial impacts varying by sectors of business, for the Net-Zero 2050 and Deferred Intervention (below 2 C) scenarios, and very low financial impacts for the Immediate Intervention (below 2 C) scenario. However, it is important to note that the increase in estimated credit losses is not significant across the Bank's loan portfolio.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ No

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

We do have an open dialogue with many shareholders frequently and our transition plan is discussed in those conversations. Main interactions with shareholders: • Transaction-free presentations, meetings, calls and discussions with management • Transaction-free presentations, meetings, calls and discussions with the President of the Board and Board members • Quarterly conference calls and webcasts • Broker-sponsored conferences • Press releases • Investors Relations Service • Meetings with the management of the Bank and the Board of directors • Annual Meeting of Shareholders (management and shareholder proposals, including the advisory vote on executive compensation; and question period)

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

The Bank's policy ambition is to be a key player in the fight against climate change and to support the transition of Canada's real economy to a low-carbon economy. The Bank aims to become a strategic partner by supporting its clients in their transition, taking into account the complex and interdependent efforts of many stakeholders across the economy. In accordance with the Paris Agreement targets, the Bank has committed to achieving net-zero by 2050 for its financing activities as well as its own operations. To reinforce its net-zero commitment and its willingness to play an important role in financing the energy transition, the Bank joined the Net-Zero Banking Alliance (NZBA) in 2021.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Following a strategic review of the new three-year plan, the Bank concretized its ambition by formalizing three climate priorities and developing an implementation plan, integrating concrete initiatives and guided by our structured financing and investment activities, decision-making process and climate commitments.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

report-tcfd-2023.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Products and services Financial institutions have a unique opportunity to support the transition to a low-carbon economy by supporting their clients in this process. The Bank offers innovative financing solutions to clients who want to raise capital for green, social, sustainable and transition initiatives. We recognize the ability of sustainable finance to be a catalyst for real change and we believe in the power of our clients to achieve this. Each of our business sectors deploys a range of products and services to support and assist their clients in the transition to a low-carbon economy. Business sectors Products and services Commercial Banking › Sustainable finance products: Deploying capital to support our clients in their transition through our sustainable finance product offering, including green, social, sustainable, transitional and sustainability-related loans. › Support for cleantech companies: Offering advisory, coaching and financial services tailored to fast-growing cleantech companies across Canada, through the Bank's Technology and Innovation Banking. Financial Markets › Sustainable finance products: Deploying capital to support our clients in their transition through our sustainable finance product offering, including green, social, sustainable, transitional and sustainability-related criteria bonds and loans. › Clean technology investment banking: Offering strategic consulting services to over 450 cleantech companies across Canada through a dedicated group. Wealth Management › Responsible investing: Offering responsible investment products, including sustainability funds and unified managed accounts for sustainability investment portfolios. Personal Banking › Support for individual clients: Offering products and services that promote the eco-friendly habits of our individual clients.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Interim sector-specific targets and decarbonization strategies Meet interim sector-specific targets for reducing financed emissions Consistent with our commitment to the NZBA and after joining the Partnership for Carbon Accounting Financials (PCAF) in 2021, the Bank began quantifying its financed emissions and setting interim targets for reducing financed emissions of carbon-intensive sectors. As of today, the Bank has set three interim targets for its loan portfolios, namely the Oil and Gas Producers sector, the Power Generation sector and the Commercial Real Estate sector. In 2023, in accordance with NZBA guidelines, the Bank completed the quantification of its financed emissions for all carbon-intensive sectors and continues to disclose its financed emissions for the three sectors with interim targets to measure progress towards net-zero. To meet its interim GHG reduction targets, the Bank has developed financing strategies adapted to each business sector, with an emphasis on strategic support for existing clients in the execution of their climate transition plan and attracting new clients with ambitious decarbonization strategies. In 2023, we adopted the following financing strategies for each business sector to advance towards our interim reduction targets

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Another priority of our strategy is to Support the energy transition ecosystem (incubators, accelerators, peer groups, government initiatives). Our commitments and actions are: 1) Collaborate with various groups, as a signatory of the UN PRB, to align strategies with the UN SDGs and the objectives of the Paris Agreement. 2) Work with our peers to advance methodology and improve the quality of climate data through the PCAF. 3) Contribute to the work of the Canadian Bankers Association, the Sustainable Finance Action Council and Finance Montréal and participate in various public consultations (OSFI, SEC, BCBS). Refining our commitment strategy with our clients, and the banking and public sectors The Bank's commitment strategy lays the foundation for an active and dedicated engagement with all stakeholders to strengthen the common objective of energy transition. The Bank works closely with its clients, peers in the banking sector, regulatory agencies, international organizations, government bodies and its shareholders and investors to discuss common climate-related issues. During these collaborations, the Bank applies a guideline1 that establishes certain priorities for dialogue and engagement with stakeholders.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Increasing the energy efficiency of our operations Consistent with our target to reduce our own GHG emissions by 25% by the end of 2025, with 2019 as the reference year,1 several initiatives are being implemented to achieve this target, including the following: Focus on energy efficiency As a large portion of our emissions come from electricity and fuel consumption, energy efficiency is a priority for us. Every year, we analyze the carbon intensity of buildings of our real estate portfolio and the availability of energy sources, to promote the use of renewable energies. In Quebec, Ontario and Manitoba, we are gradually retiring heating, ventilating and air conditioning (HVAC) equipment that uses natural gas and replacing it with fully electric systems. Ensure best development practices The Bank attaches great importance to the eco-friendly features of its buildings. In fact, it has introduced development standards based on the criteria of the LEED rating system and systematically applies them to major investment projects.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Identification and assessment Climate-Related physical and transition risks are identified and integrated into the Bank's risk identification process. Quantification Quantification of exposure to climate risks is carried out and communicated in order to define our risk appetite. Management Management and control processes ensure material climate risks are identified, measured, monitored and reported at the appropriate time. Disclosure The main considerations related to climate risks are included in internal and external reports.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Value chain: 1) The Bank is aware that it has a mobilizing role to play in terms of climate change since its effects could impact its clients and the viability of its operations. Therefore, it has adopted a framework to assess, mitigate and manage related risks for portfolios and individual transactions. The Bank carries out stress testing to evaluate its sensitivity to crisis situations in certain activity sectors and key portfolios. One element of our Climate Strategy is to continue to develop our analytical and stress testing skills so we can better identify, quantify and disclose the vulnerability to climate risk of various industries and business sectors. 2) In order to meet our GHG objectives, the Bank has reduced its paper consumption. It promotes the use of electronic platforms for internal and external communications. Employees are encouraged to reduce their paper consumption. Other elements of the strategy are: › Minimizing employee business travel by promoting virtual meetings › Maintaining its hybrid remote work approach › Continuing to focus on energy efficiency and apply LEED assessment system criteria › Moving to the new head office Supply chain: 1) In addition to its efforts to develop sustainable products and services, the Bank has identified opportunities to be greener in its operations. The actions we have taken to improve the energy efficiency of our buildings have enabled us to currently exceed regulatory requirements and meet the expectations of our stakeholders. 2) The Bank prioritizes suppliers of goods and services that have adopted sustainability into their policies, practices, and processes. Guided by LEED and WELL certification criteria, we continued the construction of our new head office. As of October 31, 2022, 80% of furnishings and interior design components were acquired from local suppliers in Quebec or elsewhere in Canada. In light of the Bank's ESG principles, our responsible sourcing strategy aims to: › Maintain an ongoing dialogue with our suppliers › Work with them to transition towards a more sustainable approach

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues
☑ Direct costs
☑ Indirect costs
☑ Access to capital
☑ Capital allocation
☑ Provisions or general reserves

(5.3.2.2) Effect type

Select all that apply

☑ Risks
☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

The Bank acknowledges that climate change may have an impact on its financial planning process. As a result, it will continue to reinforce its scenario analysis program to account for how climate issues may affect analyses of income and operating expenses, investments, capital distribution, potential acquisitions or divestitures and access to capital, among other factors. REVENUES 1) To support our business clients in achieving their own ESG targets, the Bank offers a range of financing solutions that include green loans, sustainable loans, transition loans and loans linked to environmental, social and governance criteria. The latter type of loan is increasingly associated with the transition to renewable energy and the fight against climate change, since the interest rate paid to the borrowing company is linked to its achievement of sustainable development goals. Borrowers can benefit from rate discounts when financing projects that will have a positive impact on sustainable development. This type of loan is mainly intended for businesses that have integrated ESG criteria and targets into their strategy. The Bank aims to be a key partner in financing and supporting businesses in their transition towards a low-carbon economy. 1)In addition to being actively involved in implementing various initiatives to reduce its environmental footprint, the Bank has focused on developing partnerships over the years with various organizations that share the common goal of contributing to sustainable development. The Bank has developed one of the first Canadian reference frameworks for issuing sustainable bonds, published in

2018. INDIRECT COSTS 1)The Bank recognizes the importance of identifying, assessing and managing climate risks. It proactively monitors all risks and the exposure of sectors to climate-related risks and compares them to its risk appetite and the limits established. Material and emerging risks could have a significant negative impact on the Bank's financial results, reputation, business model and long-term strategy. These risks include credit, market, liquidity, operational and ESG risks, including climate-related risks. The rapidly changing economic, regulatory, technological and market environments could also affect certain activities or the Bank as a whole.
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Primary reason for not pricing environmental externalities	Explain why your organization does not price environmental externalities
	Select from: ☑ No, and we do not plan to in the next two years	*Select from:* ☑ Not an immediate strategic priority	*A standardized approach across all business lines needs to be developed.*

[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

Clients

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:
☑ Yes

Investees

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Smallholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, and we do not plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Other, please specify :Progressive deployment strategy

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

We decided to deploy our support by subsector of agriculture. Smallholders will eventually be covered at the end of the deployment of all agricultural subsectors.

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

[Fixed row]

(5.11.3) Provide details of your environmental engagement strategy with your clients.

Row 1

(5.11.3.1) Type of clients

Select from:

☑ Clients of Banks

(5.11.3.2) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

(5.11.3.3) Type and details of engagement

Financial incentives

☑ Provide financial incentives for environmental performance

(5.11.3.7) Describe how you communicate your engagement strategy to your clients and/or to the public

The Bank's engagement strategy is communicated in its 2023 Climate Report. Please see pages 16-18: Support our clients.

(5.11.3.8) Attach your engagement strategy

2023 Climate Report.pdf

(5.11.3.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Specialized in-house engagement teams

(5.11.3.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ CEO

☑ Other, please specify :Finance, Operations

(5.11.3.11) Effect of engagement, including measures of success

We view sustainable finance, including green, social, sustainable and sustainability-related products, as a tool for our clients who want to link their sustainability strategy to their financing. In doing so, they can demonstrate their engagement to improving sustainability criteria and report on their progress.

(5.11.3.12) Escalation process for engagement when dialogue is failing

Select from:

☑ Yes, we have an escalation process

(5.11.3.13) Describe your escalation process

Each business line has processes in place and climate-related issues are addressed though the ESG governance.
[Add row]

(5.11.4) Provide details of your environmental engagement strategy with your investees.

Row 1

(5.11.4.1) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.11.4.2) Type and details of engagement

Other, please specify

☑ Other, please specify **:**Dialogues with companies we invest in depend on the issue(s) that is the most relevant to a company. The most common is disclosures on climate and collaboration on how to reduce emissions.

(5.11.4.4) % of investing (Asset managers) portfolio covered in relation to total portfolio value

Select from:

☑ 1-25%

(5.11.4.5) % of investing (Asset owners) portfolio covered in relation to total portfolio value

Select from:

☑ None

(5.11.4.6) Explain the rationale for the coverage of your engagement

NBI operates under an open architecture where it hires sub-advisors to manage its funds. Although we do receive some information about the engagement activities of our managers, we do not compile it and measure it according to your question. For funds managed internally, NBI has hired a shareholder's engagement services company (Aequo). We do track the engagement issues covered for these funds but they represent a small % of our total AUM.

(5.11.4.7) Describe how you communicate your engagement strategy to your investees and/or to the public

Case studies of engagements are communicated to clients through various publications throughout the year and are part of our annuel ESG report.

(5.11.4.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Other, please specify **:**NBI has hired Aequo, a shareholder services provider.

(5.11.4.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ CEO

☑ Corporate secretary

☑ Investor relations managers

(5.11.4.11) Effect of engagement, including measures of success

Our shareholder's engagement service provider produces a quarterly report on the progress of the different engagements.

(5.11.4.12) Escalation process for engagement when dialogue is failing

Select from:

☑ No, we don’t have an escalation process

[Add row]

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Other, please specify :Understanding supplier behavior

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect climate transition plan information at least annually from suppliers

☑ Collect environmental risk and opportunity information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 1-25%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 1-25%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Deployment of an ESG data collection questionnaire with the Bank's main suppliers (121 suppliers, representing 70% of the annual expenditure); Gradual deployment of responsible sourcing through contracts and pilot calls for tenders within three business sectors; In addition to the monitoring indicators of the action plan implemented in 2022, development of responsible procurement performance indicators, the information of which will be compiled in 2024; Development of the methodology for the calculation of our suppliers' GHGs; Since September 2022, all suppliers are required to disclose whether they do an annual review of their GHG emissions in the Registration Questionnaire. This question applies to potential and current suppliers and all preexisting suppliers have been invited to answer the newly added questions. As well the supplier code of conduct is attached to the Bank’s contracts and is therefore adhered to by the suppliers by signing the contract.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ No

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Requests received from investors and shareholders on the Bank's climate-related initiatives

(5.11.9.6) Effect of engagement and measures of success

The Bank works closely with its shareholders and investors to discuss common climate-related issues. As disclosed in the Bank's 2023 ESG Report, our climate strategy was one of the main topics discussed during the year with shareholders and investors. This type of engagement helps to maintain an ongoing dialogue on the Bank's progress, discuss climate-related good/best practices and evaluate how new topics such as nature-related risks can be addressed. Related to this last point, an internal working group on Nature was created with members from key business lines: Financial Markets, National Bank Investments, Risk Management and Commercial Banking.
[Add row]

(5.14) Do your external asset managers have to meet environmental requirements as part of your organization's selection process and engagement?

	External asset managers have to meet specific environmental requirements as part of the selection process and engagement	Policy in place for addressing external asset manager non-compliance
	Select from: ☑ Yes	*Select from:* ☑ No, we do not have a policy in place for addressing non-compliance

[Fixed row]

(5.14.1) Provide details of the environmental requirements that external asset managers have to meet as part of your organization's selection process and engagement.

Row 1

(5.14.1.1) Environmental issues covered by the requirement

Select all that apply
☑ Climate change

(5.14.1.2) Coverage

Select from:

☑ Majority of assets managed externally

(5.14.1.3) Environmental requirement that external asset managers have to meet

Select from:

☑ Other, please specify :The evaluation of an external manager's Climate Plan (i.e. its preparedness and ability to manage physical and transition risks and contribution to solving the issue) is part of its overall assessment to be selected. See row 2 for more explanations.

(5.14.1.4) Mechanisms used to include environmental requirement in external asset manager selection

Select all that apply

☑ Preference for investment managers with an offering of funds resilient to environmental issues

☑ Include environmental requirements in investment mandates

☑ Include environmental requirements in performance indicators and incentive structures

☑ Review investment manager's environmental performance (e.g., active ownership, proxy voting records, under-weighting in high impact activities)

☑ Review investment manager's environmental policies

(5.14.1.5) Response to external asset manager non-compliance with environmental requirement

Select from:

☑ Other, please specify :The evaluation of an external manager's Climate Plan (i.e. ability to manage physical and transition risks and contribution to solving the issue) is one element of the overall evaluation.

(5.14.1.6) % of non-compliant external asset managers engaged

Select from:

☑ None

Row 2

(5.14.1.1) Environmental issues covered by the requirement

Select all that apply

☑ Climate change

(5.14.1.2) Coverage

Select from:

☑ Majority of assets managed externally

(5.14.1.3) Environmental requirement that external asset managers have to meet

Select from:

☑ Other, please specify :NBI considers the climate issue as a systemic risk to its clients' assets and therefore an integral part of NBI's fiduciairy duty.

(5.14.1.4) Mechanisms used to include environmental requirement in external asset manager selection

Select all that apply

☑ Preference for investment managers with an offering of funds resilient to environmental issues

☑ Include environmental requirements in investment mandates

☑ Include environmental requirements in performance indicators and incentive structures

☑ Review investment manager's environmental performance (e.g., active ownership, proxy voting records, under-weighting in high impact activities)

☑ Review investment manager's environmental policies

(5.14.1.5) Response to external asset manager non-compliance with environmental requirement

Select from:

☑ Other, please specify :The evaluation of an external manager's Climate Plan (i.e. ability to manage physical and transition risks and contribution to solving the issue) is one element of the overall evaluation.

(5.14.1.6) % of non-compliant external asset managers engaged

Select from:

☑ None

[Add row]

(5.15) Does your organization exercise voting rights as a shareholder on environmental issues?

	Exercise voting rights as a shareholder on environmental issues
	Select from: ☑ Yes

[Fixed row]

(5.15.1) Provide details of your shareholder voting record on environmental issues.

Row 1

(5.15.1.1) Method used to exercise your voting rights as a shareholder

Select from:

☑ Exercise voting rights through an external service provider

(5.15.1.2) How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?

Select all that apply

☑ Vote tracking

☑ Review external service provider's environmental policies

☑ Review external service provider's environmental performance (e.g. active ownership, proxy voting records)

(5.15.1.3) % of voting rights exercised

100

(5.15.1.5) Environmental issues covered in shareholder voting

Select all that apply

☑ Climate change

(5.15.1.6) Global environmental commitments that your shareholder voting is aligned with

Select all that apply

☑ Aligned with the Paris Agreement

(5.15.1.7) Issues supported in shareholder resolutions

Select all that apply

☑ Board oversight of environmental issues

☑ Emissions reduction targets

☑ Environmental disclosures

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We have opted for the operational control consolidation method as it enables us to concentrate our efforts on areas where we can apply our operational policies and create a more noticeable impact

Forests

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**Not calculated

(6.1.2) Provide the rationale for the choice of consolidation approach

Not calculated

Water

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**Not calculated

(6.1.2) Provide the rationale for the choice of consolidation approach

Not calculated

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify :Not applicable

(6.1.2) Provide the rationale for the choice of consolidation approach

Not applicable

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify :Not calculated

(6.1.2) Provide the rationale for the choice of consolidation approach

Not calculated
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in methodology

☑ Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

Methodology: Although there was no actual change in the calculation methodology, the GHG emission factors have been updated. For energy-related factors, the most recent published data (2023) was used for Canada (National Inventory Report), United States (eGrid - US EPA), Ireland (Sustainable Energy Authority of Ireland - SEAI), France (Réseau de Transport d'Electricité - RTE), United Kingdom (Department of Business Energy & Industrial Strategy) as well as reports from the International Energy Agency (IEA) for other international branches. The Environmentally Extended Input-Output (EEIO) database used to calculate Scope 3 emissions related to purchased goods and services, and transportation and distribution has been updated with more recent data from "Ingwersen, W., and M. Li. Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities. U.S. Environmental Protection Agency, Washington, DC, USA, 2020. http://doi.org/10.23719/1524524". A more recent ecoinvent database (v3.9) was also used to update other Scope 3 emission factors. Boundary: Scope 3 emissions related to the purchase of paper in our facilities in Cambodia are added. We added business travel emissions for our acitivities located in Cambodia in previous year emissions.
[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ No, because the impact does not meet our significance threshold

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Our base year emissions recalculation policy set the significance threshold at 5% (for scopes 1, 2 and 3 emissions altogether). However, we consider base year emissions recalculation when there are changes in methodology over time to ensure consistency in our emission inventory. We also consider recalculating previous reporting years to enable analysis of historical emission trends. The update of emission factors and the inclusion of an added activity in our boundary (as mentioned in our response to 7.1.2) reflect the changes which have been applied to the previous years (Past year 1) reported in this section.

(7.1.3.4) Past years' recalculation

Select from:

☑ Yes

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*We do not currently assess our Scope 2 market-based emissions.*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ Yes

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

Emissions from purchased goods and services are not fully covered for all the entities assessed. Only part of the data is collected, for certain purchase categories that were deemed most important.

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Purchased goods and services

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are relevant but not yet calculated

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

40

(7.4.1.10) Explain why this source is excluded

We are in the process of developping a methodology and mobilizing resources to include this source in the near future.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2024, we conducted a benchmarking assessment of 13 banks. For each bank assessed, purchased goods and services emissions were weighted based on their number of employees compared to NBC, to estimate the amount of emissions from this category for NBC if it had a similar methodology and emission sources for this category. This estimation shows that emissions from this category could represent up to 85% of scope 3 emissions (excluding emissions from category 15: Investments), a 40% increase from the current 43% (see question 7.8). The estimated percentage represents a maximum, worst-case exclusion.

Row 2

(7.4.1.1) Source of excluded emissions

Emissions in this category are not fully covered for all the entities assessed. In fact, only Canada is assessed.

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Upstream transportation and distribution

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

0

(7.4.1.10) Explain why this source is excluded

In 2024, we conducted a benchmarking assessment of 13 banks. Most banks assessed deem this category of emissions to be not relevant. Given the scope of operations that are excluded from this category in our calculations, we expect the excluded sources of emissions to be negligible for this emission category.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2024, we conducted a benchmarking assessment of 13 banks. Most banks assessed deem this category of emissions to be not relevant. Given the scope of operations that are excluded from this category in our calculations, we expect the excluded sources of emissions to be negligible for this emission category.

Row 3

(7.4.1.1) Source of excluded emissions

Emissions in this category are not fully covered for all the entities assessed. In fact, only Canada is assessed. Only paper waste is assessed.

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Waste generated in operations

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

5

(7.4.1.10) Explain why this source is excluded

We expect this excluded source to be of low significance based on our emissions and a benchmark assessment of other banks.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2024, we conducted a benchmarking assessment of 13 banks. For each bank assessed, emissions from this category were weighted based on their number of employees compared to NBC, to estimate the amount of emissions from this category for NBC if it had a similar methodology and emission sources for this category. This estimation shows that emissions from this category could represent up to 5% of scope 3 emissions (excluding emissions from category 15: Investments), a 5% increase from the current 0% (rounded) (see question 7.8). The estimated percentage represents a maximum, worst-case exclusion.

Row 4

(7.4.1.1) Source of excluded emissions

Emissions in this category are not fully covered for all the entities assessed. In fact, only Canada is assessed.

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Business travel

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

10

(7.4.1.10) Explain why this source is excluded

We expect this excluded source to be of low significance based on our emissions and a benchmark assessment of other banks.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2024, we conducted a benchmarking assessment of 13 banks. For each bank assessed, emissions from this category were weighted based on their number of employees compared to NBC, to estimate the amount of emissions from this category for NBC if it had a similar methodology and emission sources for this category. This estimation shows that emissions from this category could represent up to 17% of scope 3 (excluding emissions from category 15: Investments) emissions, a 10% increase from the current 6% (see question 7.8). The estimated percentage represents a maximum, worst-case exclusion.
[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

2832.0

(7.5.3) Methodological details

The GHG Protocol guidelines for Scope 1 emissions were followed. Primary data on energy use was collected through metering for 378 sites (out of 507 sites). For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used. Emissions from refrigerant leakage in cooling systems were calculated either with the screening method (from the GHG Protocol) or with primary data (refrigerant inventory). Scope 1 emissions cover the consumption of natural gas, fuel oil and diesel as well as refrigerant leakage in buildings and vehicles (NBC's fleet).

Scope 2 (location-based)

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

11860.0

(7.5.3) Methodological details

The GHG Protocol guidelines for Scope 2 emissions were followed. Primary data on energy use was collected through metering for 378 sites (out of 507 sites). For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used. Scope 2 emissions cover the consumption of electricity and steam in buildings.

Scope 2 (market-based)

(7.5.1) Base year end

10/31/2019

(7.5.3) Methodological details

We do not currently assess our Scope 2 market-based emissions.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

36591

(7.5.3) Methodological details

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. The emissions covered in this category are associated with purchased paper, IT equipment, furniture, administrative services, and telecommunication services. Except for paper consumption in Canada, data on purchases were provided in terms of spending (CAD) for the reported year. The Environmentally Extended Input-Output database (EEIO) was used to convert each dollar spent into kg of CO2 equivalent. In addition, inflation data and currency conversions were applied to convert the market values from the input-output database to the reported value for the years 2021 and 2022. To calculate the emissions related to paper consumption, the total weight of office paper purchased during the reporting year was multiplied by an emission factor (per kilogram of paper) either provided in the LCA study on fine papers (Groupe AGECO, 2015) for Quebec or from the Environmental Paper Network (2021) for other regions. Emission factors for each type of purchased goods and services (i.e., kg CO2e per spent) were calculated with IPCC's 5th Assessment Report Global Warming Potential factors.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

The National Bank of Canada does not have a formalized process yet to collect information to report on GHG emissions associated with capital goods.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

8397.0

(7.5.3) Methodological details

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. The total quantities of electricity and fuel consumed in all operating spaces of the NBC were used as activity data (see details for Scope 2 emissions above for more *information on the source of data). The most recent and complete emission factors related to upstream electricity emissions (per kilowatt-hour) were taken from the latest National Inventory Reports (Environment and Climate Change Canada, US EPA, etc.). The emission factors for the upstream processes related to the production of other fuels (natural gas per cubic meter, light fuel oil per kilogram) were taken from the Canadian National Inventory Report (Environment and Climate Change Canada 2023). The emission factors were calculated with IPCCs 5th Assessment Report Global Warming Potential factors.*

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

759.0

(7.5.3) Methodological details

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. Upstream transportation and distribution emissions were calculated based on total expenses for messenger couriers and postal services in Canada. The emission factors were taken from the EEIO database, an economic inputoutput database providing emissions per dollar spent. These factors were converted from US currency to Canadian currency and inflation data were applied to convert the market values from the input-output database for the reporting year. The emission factors were calculated with IPCCs 5th Assessment Report Global Warming Potential factors.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

38.0

(7.5.3) Methodological details

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. The activity variable for the total waste generated in operations is the total weight of paper waste generated and sent to recycling by the NBC corporate sites and branch network.

Only the transportation of the paper waste to the end-of-life treatment facilities was thus considered. The data on paper waste has been provided by a third-party company that handles the paper waste of NBCs network in Canada. The emission factor for transportation (tonnes per km) was taken from the ecoinvent database v.3.9 (2023) and calculated with IPCCs 5th Assessment Report Global Warming Potential factors.

Scope 3 category 6: Business travel

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

5870.0

(7.5.3) Methodological details

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. For NBC's business travels originating from Canada, emissions are calculated either (1) based on total expenses reported by employees and recorded in the corporate credit card files (for bus, taxi and rental car) or (2) using exact distances travelled (for plane, personal car and train). For air travel GHG emissions were calculated applying the appropriate emission factor for each trip (short trip 1108 km). For business travels originating from Cambodia the inventory of rental cars' mileage for the reporting year was used. Emission factors for each mode of transportation were taken from the US EPA (2022) Emission Factors for Greenhouse Gas Inventories and GHG Protocol Emission Factors for Cross-Sector Tools (2017 and 2021). The emission factors were calculated with IPCCs 5th Assessment Report GWP factors.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

15387.0

(7.5.3) Methodological details

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. Emissions were calculated using NBC's number of part-time and full-time employees per region (by provinces in Canada and by countries or cities outside of Canada) as well as the *average number of working days in Canada. For North America, employee commuting national statistics from Statistics Canada and US Census Bureau (2017) were used to estimate the total distance travelled by employees and the percentages of the type of transportation mode used by employees. For travel distances in Canada, average travel minutes by province were used to extrapolate the average travel distance in kilometres from the reported Canadian average. For employees outside of Canada, emissions were calculated using secondary data on percentages per mode of transportation, time and distances travelled (McKensie B., 2015; Rapino. M. A. and Fields A.K, 2012, Japan International Cooperation Agency, 2014). The number of trips throughout the year was adjusted assuming that fulltime employees teleworked an average of 50% of their time (NBC internal data). Emission factors for each mode of transportation per kilometre were taken from the GHG Protocol Emission Factors for Cross-Sector Tools (2017) and the US EPA (2022) Emission Factors for Greenhouse Gas Inventories. The emission factors were calculated with IPCCs 5th Assessment Report Global Warming Potential factors.*

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

Scope 3 category 14: Franchises

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2237

(7.6.3) Methodological details

The GHG Protocol guidelines for Scope 1 emissions were followed. Primary data on energy use was collected through metering for 378 sites (out of 507 sites). For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used. Emissions from refrigerant leakage in cooling systems were calculated either with the screening method (from the GHG Protocol) or with primary data (refrigerant inventory). Scope 1 emissions cover the consumption of natural gas, fuel oil and diesel as well as refrigerant leakage in buildings and vehicles (NBC's fleet).

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2484

(7.6.2) End date

10/31/2022

(7.6.3) Methodological details

The GHG Protocol guidelines for Scope 1 emissions were followed. Primary data on energy use was collected through metering for 388 sites (out of 519 sites). For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used. Emissions from refrigerant leakage in cooling systems were calculated either with the screening method (from the GHG Protocol) or with primary data (refrigerant inventory). Scope 1 emissions cover the consumption of natural gas, fuel oil and diesel as well as refrigerant leakage in buildings and vehicles (NBC's fleet).

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2340

(7.6.2) End date

10/31/2021

(7.6.3) Methodological details

The GHG Protocol guidelines for Scope 1 emissions were followed. Primary data on energy use was collected through metering for most sites. For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used. Emissions from refrigerant leakage in cooling systems were calculated either with the screening method (from the GHG Protocol) or with primary data (refrigerant inventory). Scope 1 emissions cover the consumption of natural gas, fuel oil and diesel as well as refrigerant leakage in buildings and vehicles (NBC's fleet).

Past year 3

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2671

(7.6.2) End date

10/31/2020

(7.6.3) Methodological details

The GHG Protocol guidelines for Scope 1 emissions were followed. Primary data on energy use was collected through metering for most sites. For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used. Emissions from refrigerant leakage in cooling systems were calculated either with the screening method (from the GHG Protocol) or with primary data (refrigerant inventory). Scope 1 emissions cover the consumption of natural gas, fuel oil and diesel as well as refrigerant leakage in buildings and vehicles (NBC's fleet).

Past year 4

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2832

(7.6.2) End date

10/31/2019

(7.6.3) Methodological details

The GHG Protocol guidelines for Scope 1 emissions were followed. Primary data on energy use was collected through metering for most sites. For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used. Emissions from refrigerant leakage in cooling systems were calculated either with the screening method (from the GHG Protocol) or with primary data (refrigerant inventory). Scope 1 emissions cover the consumption of natural gas, fuel oil and diesel as well as refrigerant leakage in buildings and vehicles (NBC's fleet).
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

13491

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.4) Methodological details

The GHG Protocol guidelines for Scope 2 emissions were followed. Primary data on energy use was collected through metering for 378 sites (out of 507 sites). For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

12039

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.3) End date

10/31/2022

(7.7.4) Methodological details

The GHG Protocol guidelines for Scope 2 emissions were followed. Primary data on energy use was collected through metering for 388 sites (out of 519 sites). For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used.

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

9979

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.3) End date

10/31/2021

(7.7.4) Methodological details

The GHG Protocol guidelines for Scope 2 emissions were followed. Primary data on energy use was collected through metering for most sites. For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used.

Past year 3

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

11397

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.3) End date

10/31/2020

(7.7.4) Methodological details

The GHG Protocol guidelines for Scope 2 emissions were followed. Primary data on energy use was collected through metering for most sites. For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used.

Past year 4

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

11860

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.3) End date

10/31/2019

(7.7.4) Methodological details

The GHG Protocol guidelines for Scope 2 emissions were followed. Primary data on energy use was collected through metering for most sites. For unmetered branches, data was estimated using an average ratio of energy consumption per area (kWh/m2) based on metered data for similar sites. For unmetered corporate sites, literature data (Energy Star Portfolio, International Energy efficiency, etc) on average consumption per area was used.
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

27499

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Average data method
☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. The emissions covered in this category are associated with purchased paper, IT equipment, furniture, administrative services, and telecommunication services. Except for paper consumption in Canada, data on purchases were provided in terms of spending (CAD) for the reported year. The Environmentally Extended Input-Output database (EEIO) was used to convert each dollar spent into kg of CO2 equivalent. In addition, inflation data and currency conversions were applied to convert the market values from the input-output database to the reported value for the years 2021 and 2022. To calculate the emissions related to paper consumption, the total weight of office paper purchased during the reporting year was multiplied by an emission factor (per kilogram of paper) either provided in the LCA study on fine papers (Groupe AGECO, 2015) for Quebec or from the Environmental Paper Network (2021) for other regions. Emission factors for each type of purchased goods and services (i.e., kg CO2e per spent) were calculated with IPCC's 5th Assessment Report Global Warming Potential factors.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

The National Bank of Canada does not have a formalized process yet to collect information to report on GHG emissions associated with capital goods.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

8401

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. The total quantities of electricity and fuel consumed in all operating spaces of the NBC were used as activity data (see details for Scope 2 emissions above for more information on the source of data). The most recent and complete emission factors related to upstream electricity emissions (per kilowatt-hour) were taken from the latest National Inventory Reports (Environment and Climate Change Canada, US EPA, etc.). The emission factors for the upstream processes related to the production of other fuels (natural gas per cubic meter, light fuel oil per kilogram) were taken from the Canadian National Inventory Report (Environment and Climate Change Canada 2023). The emission factors were calculated with IPCCs 5th Assessment Report Global Warming Potential factors.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4785

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. Upstream transportation and distribution emissions were calculated based on total expenses for messenger couriers and postal services in Canada. The emission factors were taken from the EEIO database, an economic inputoutput database providing emissions per dollar spent. These factors were converted from US currency to Canadian currency and inflation data were applied to convert the market values from the input-output database for the reporting year. The emission factors were calculated with IPCCs 5th Assessment Report Global Warming Potential factors.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

13

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. The activity variable for the total waste generated in operations is the total weight of paper waste generated and sent to recycling by the NBC corporate sites and branch network. Only the transportation of the paper waste to the end-of-life treatment facilities was thus considered. The data on paper waste has been provided by a third-party *company that handles the paper waste of NBCs network in Canada. The emission factor for transportation (tonnes per km) was taken from the ecoinvent database v.3.9 (2023) and calculated with IPCCs 5th Assessment Report Global Warming Potential factors.*

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

3896

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. For NBC's business travels originating from Canada, emissions are calculated either (1) based on total expenses reported by employees and recorded in the corporate credit card files (for bus, taxi and rental car) or (2) using exact distances travelled (for plane, personal car and train). For air travel GHG emissions were calculated applying the appropriate emission factor for each trip (short trip 1108 km). For business travels originating from Cambodia the inventory of rental cars' mileage for the reporting year was used. Emission factors for each mode of transportation were taken from the US EPA (2022) Emission Factors for Greenhouse Gas Inventories and GHG Protocol Emission Factors for Cross-Sector Tools (2017 and 2021). The emission factors were calculated with IPCCs 5th Assessment Report GWP factors.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

18676

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol was used to calculate this category's emissions. Emissions were calculated using NBC's number of part-time and full-time employees per region (by provinces in Canada and by countries or cities outside of Canada) as well as the average number of working days in Canada. For North America, employee commuting national statistics from Statistics Canada and US Census Bureau (2017) were used to estimate the total distance travelled by employees and the percentages of the type of transportation mode used by employees. For travel distances in Canada, average travel minutes by province were used to extrapolate the average travel distance in kilometres from the reported Canadian average. For employees outside of Canada, emissions were calculated using secondary data on percentages per mode of transportation, time and distances travelled (McKensie B., 2015; Rapino. M. A. and Fields A.K, 2012, Japan International Cooperation Agency, 2014). The number of trips throughout the year was adjusted assuming that fulltime employees teleworked an average of 50% of their time (NBC internal data). Emission factors for each mode of transportation per kilometre were taken from the GHG Protocol Emission Factors for Cross-Sector Tools (2017) and the US EPA (2022) Emission Factors for Greenhouse Gas Inventories. The emission factors were calculated with IPCCs 5th Assessment Report Global Warming Potential factors.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Leased assets are accounted in Scope 1 and Scope 2 as the operational control consolidation approach has been selected to perform the GHG emissions calculations.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

National Bank of Canada does not sell physical products. Therefore, downstream transportation and distribution is not relevant to the Bank's operations.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

National Bank of Canada does not sell physical products. Therefore, the processing of sold products is not relevant to the Bank's operations.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

National Bank of Canada does not sell physical products. Therefore, the use of sold products is not relevant to the Bank's operations.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

National Bank of Canada does not sell physical products. Therefore, the end-of-life treatment of sold products is not relevant to the Bank's operations.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

The spaces owned by the National Bank of Canada and leased to other entities is accounted for in Scope 1 and Scope 2 emissions as they are often shared with the Bank and are considered negligible.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

National Bank of Canada does not have franchises.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

The National Bank of Canada (NBC) used the Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol to calculate its Scope 3 emissions. All relevant emission sources are included in the categories defined by the GHG Protocol.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

The National Bank of Canada (NBC) used the Corporate value Chain (Scope 3) Accounting and Reporting Standard from the GHG Protocol to calculate its Scope 3 emissions. All relevant emission sources are included in the categories defined by the GHG Protocol.
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

10/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

26467

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

6099

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

4519

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

12

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

3344

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

15817

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Note that emissions for 2022 have been recalculated using the US EPA's environmentally extended input-output (EEIO) database (more up-to-date than the previous database used) as for 2023, to make the two years comparable. Now including business travel for activities located in Cambodia.

Past year 2

(7.8.1.1) End date

10/31/2021

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

32628

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

6479

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

6529

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

8

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

1511

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

4309

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Now including business travel for activities located in Cambodia.

Past year 3

(7.8.1.1) End date

10/31/2020

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

33709

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

7793

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

5625

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

17

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

2794

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

7785

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Now including business travel for activities located in Cambodia.

Past year 4

(7.8.1.1) End date

10/31/2019

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

36591

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

8397

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

759

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

38

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

5870

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

15388

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Now including business travel for activities located in Cambodia.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ No third-party verification or assurance
Scope 2 (location-based or market-based)	*Select from:* ☑ No third-party verification or assurance
Scope 3	*Select from:* ☑ No third-party verification or assurance

[Fixed row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Increased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

We do not currently assess the impact of this initiative on our GHG inventory.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

We do not currently assess the impact of this initiative on our GHG inventory.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

1235

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

8

(7.10.1.4) Please explain calculation

Our scope 1 and 2 emissions increased by 1 219 t CO2e from the previous year. This represents 8% (1 235 / 15 758) of this reporting year's scope 1 and 2 emissions. This increase is mainly explained by the increased electricity consumption of our facilities in Cambodia.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Note that emissions for 2022 have been recalculated using the US EPA's environmentally extended input-output (EEIO) database (more up-to-date than the previous database used) as for 2023, to make the two years comparable. Thus, this methodological change does not directly lead to a change in emissions from the previous year.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Location-based

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Credigy Ltd.

(7.23.1.2) Primary activity

Select from:
☑ Other financial

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

485

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

N/A

Row 2

(7.23.1.1) Subsidiary name

Advanced Bank of Asia Limited

(7.23.1.2) Primary activity

Select from:

☑ Banks

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

429

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

9204

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

N/A

Row 3

(7.23.1.1) Subsidiary name

ATA IT Ltd.

(7.23.1.2) Primary activity

Select from:

☑ IT services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

113

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

N/A
[Add row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ Yes
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ No

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

677

(7.30.1.3) MWh from non-renewable sources

9037

(7.30.1.4) Total (renewable and non-renewable) MWh

9714

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

76033

(7.30.1.3) MWh from non-renewable sources

20075

(7.30.1.4) Total (renewable and non-renewable) MWh

96108

Consumption of purchased or acquired steam

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

4602

(7.30.1.4) Total (renewable and non-renewable) MWh

4602

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

76710

(7.30.1.3) MWh from non-renewable sources

33714

(7.30.1.4) Total (renewable and non-renewable) MWh

110424
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Cambodia

(7.30.16.1) Consumption of purchased electricity (MWh)

18746

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

18746.00

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

75001

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

4602

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

79603.00

Cuba

(7.30.16.1) Consumption of purchased electricity (MWh)

8

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

8.00

France

(7.30.16.1) Consumption of purchased electricity (MWh)

33

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

33.00

Hong Kong SAR, China

(7.30.16.1) Consumption of purchased electricity (MWh)

28

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

28.00

Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

168

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

168.00

Malta

(7.30.16.1) Consumption of purchased electricity (MWh)

3

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

3.00

Thailand

(7.30.16.1) Consumption of purchased electricity (MWh)

266

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

266.00

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

158

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

158.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

1697

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1697.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.00000155

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

15758

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

10170000000

(7.45.5) Scope 2 figure used

Select from:
☑ Location-based

(7.45.6) % change from previous year

3

(7.45.7) Direction of change

Select from:
☑ Increased

(7.45.8) Reasons for change

Select all that apply
☑ Change in output

(7.45.9) Please explain

The increase in our emissions intensity can be mostly explained by the increased electricity consumption of our offices in Cambodia as well as employee commuting, as our total number of employees worldwide has increased. The addition of emissions associated with purchased goods and services (paper) from our offices in Cambodia in the reporting year is also a reason.

Row 2

(7.45.1) Intensity figure

0.5

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

15758

(7.45.3) Metric denominator

Select from:
☑ full time equivalent (FTE) employee

(7.45.4) Metric denominator: Unit total

31243

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

3

(7.45.7) Direction of change

Select from:

☑ Increased

(7.45.8) Reasons for change

Select all that apply

☑ Change in output

(7.45.9) Please explain

The increase in our emissions intensity can be mostly explained by the increased electricity consumption of our offices in Cambodia as well as employee commuting, as our total number of employees worldwide has increased. The addition of emissions associated with purchased goods and services (paper) from our offices in Cambodia in the reporting year is also a reason.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Energy usage

(7.52.2) Metric value

69

(7.52.3) Metric numerator

% of renewable energy consumption

(7.52.4) Metric denominator (intensity metric only)

% of energy consumption

(7.52.5) % change from previous year

1

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

National Bank of Canada measures each year its energy consumption and the proportion of renewable energy consumed for its operations
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

☑ Portfolio target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

09/30/2020

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1
☑ Scope 2
☑ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:
☑ Location-based

(7.53.1.10) Scope 3 categories

Select all that apply
☑ Scope 3, Category 1 – Purchased goods and services
☑ Scope 3, Category 6 – Business travel

(7.53.1.11) End date of base year

10/31/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

2446

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

4348

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

286

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

5243

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

5529.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

12323.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

84.6

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

36.7

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

0.79

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

89.3

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

8.25

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

15.1

(7.53.1.54) End date of target

10/31/2025

(7.53.1.55) Targeted reduction from base year (%)

25

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

9242.250

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

1807

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

4174

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

115

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

2956

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3071.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

9052.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

106.18

(7.53.1.80) Target status in reporting year

Select from:

☑ Achieved

(7.53.1.82) Explain target coverage and identify any exclusions

The scope of the target was reviewed in 2022 to cover the activities of the Bank in Canada and the United States, as well as the activities of our subsidiary in Dublin, our branch in London and our representative offices abroad. We have excluded the portion of the carbon footprint attributable to the Bank's activities in Cambodia and in Thailand, due to the limited renewable energy options available in these countries. Tracking the target However, we are pursuing our commitment to leveraging our economic and social impact to promote sustainable development in Cambodiaa.

(7.53.1.83) Target objective

The Bank's policy ambition is to be a key player in the fight against climate change and to support the transition of Canada's real economy to a low-carbon economy. The Bank has committed to achieving net-zero by 2050 for its financing activities as well as its own operations. To reinforce its net-zero, the Bank set an intermediate target to reduce its own GHG emissions from its operations by 25% by the end of 2025, with 2019 as the reference year.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

(7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

As a large portion of our emissions come from electricity and fuel consumption, energy efficiency is a priority for us. Every year, we analyze the carbon intensity of buildings of our real estate portfolio and the availability of energy sources, to promote the use of renewable energies. In Quebec, Ontario and Manitoba, we are

gradually retiring heating, ventilating and air conditioning (HVAC) equipment that uses natural gas and replacing it with fully electric systems. Over the past few years, the Bank has rolled out a number of initiatives to improve energy efficiency and reduce waste in its buildings. Here are a few examples: › Electric vehicle charging stations at branches and at our new head office › Innovative energy use management system rolled out to over 260 branches across Canada › LEED assessment system criteria applied to many existing buildings › Construction of the new head office designed to meet LEED v4 Gold criteria and optimization of existing office spaces › End of purchases of single-use water bottles from our suppliers › 81 branches registered for Hydro-Québec's Hilo challenge in 2023, including 26 new sites that had never participated in peak management in the past.
[Add row]

(7.53.4) Provide details of the climate-related targets for your portfolio.

Row 1

(7.53.4.1) Target reference number

Select from:
☑ Por1

(7.53.4.2) Target type

Select from:
☑ Other, please specify **:**Weighted average emission intensity (tCO2e/MWh) weighted by commited amount

(7.53.4.4) Methodology used when setting the target

Select from:
☑ A combination of the above

(7.53.4.5) Date target was set

03/21/2022

(7.53.4.6) Target is set and progress against it is tracked at

Select from:
☑ Sector level

(7.53.4.7) Sector

Select from:

☑ Power generation

(7.53.4.8) Portfolios covered by the target

Select all that apply

☑ Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Loans

☑ Project finance

☑ Equity investments

☑ Undrawn loan commitments

(7.53.4.12) Target type: Absolute or intensity

Select from:

☑ Intensity

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Other, please specify :tCO2e

(7.53.4.17) Target denominator

Select from:

☑ Other, please specify :MWh

(7.53.4.18) % of portfolio covered in relation to total portfolio value

64

(7.53.4.21) Frequency of target reviews

Select from:
☑ Every five years

(7.53.4.22) End date of base year

10/31/2019

(7.53.4.23) Figure in base year

0.11

(7.53.4.24) We have an interim target

Select from:
☑ Yes

(7.53.4.25) End of interim target year

10/31/2030

(7.53.4.26) Figure in interim target year

0.07

(7.53.4.27) End date of target

10/31/2050

(7.53.4.28) Figure in target year

0.01

(7.53.4.29) Figure in reporting year

0.08

(7.53.4.30) % of target achieved relative to base year

30

(7.53.4.31) Target status in reporting year

Select from:
☑ Underway

(7.53.4.34) Is this a science-based target?

Select from:
☑ Yes, we consider this a science-based target, and it has been set in line with the Glasgow Financial Alliance for Net Zero (GFANZ) commitments, but we have not committed to seek validation by the Science Based Targets initiative within the next two years

(7.53.4.35) Target ambition

Select from:
☑ 1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

Sector: Power Generation Scope 1. This includes loans to clients in the power generation sector identified by NAICS code. Excluding project in construction.

(7.53.4.38) Target objective

1.5C aligned

Row 2

(7.53.4.1) Target reference number

Select from:
☑ Por2

(7.53.4.2) Target type

Select from:
☑ Other, please specify :Portfolio emissions based on terajoule of energy produced by clients in the portfolio

(7.53.4.4) Methodology used when setting the target

Select from:
☑ A combination of the above

(7.53.4.5) Date target was set

03/21/2021

(7.53.4.6) Target is set and progress against it is tracked at

Select from:
☑ Sector level

(7.53.4.7) Sector

Select from:
☑ Fossil Fuels

(7.53.4.8) Portfolios covered by the target

Select all that apply
☑ Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Loans

(7.53.4.12) Target type: Absolute or intensity

Select from:

☑ Intensity

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Other, please specify :tCO2e

(7.53.4.17) Target denominator

Select from:

☑ Other, please specify :Terajoules

(7.53.4.18) % of portfolio covered in relation to total portfolio value

95

(7.53.4.21) Frequency of target reviews

Select from:

☑ Every five years

(7.53.4.22) End date of base year

10/31/2019

(7.53.4.23) Figure in base year

0.9

(7.53.4.24) We have an interim target

Select from:
☑ Yes

(7.53.4.25) End of interim target year

10/31/2030

(7.53.4.26) Figure in interim target year

0.62

(7.53.4.27) End date of target

10/31/2050

(7.53.4.28) Figure in target year

0.23

(7.53.4.29) Figure in reporting year

0.66

(7.53.4.30) % of target achieved relative to base year

35.82089552238806

(7.53.4.31) Target status in reporting year

Select from:
☑ Underway

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, it has been set in line with the Glasgow Financial Alliance for Net Zero (GFANZ) commitments, and we have committed to seek validation by, or it is currently being reviewed by, the Science Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

Sector: Oil and Gas producers Scope 1and 2. This includes loans to clients in the Oil and gas sector identifoed by NAICS code. We only consider Oil and Gas producers.

(7.53.4.38) Target objective

1.5C aligned

Row 3

(7.53.4.1) Target reference number

Select from:

☑ Por3

(7.53.4.2) Target type

Select from:

☑ Other, please specify :Portfolio emissions based on terajoule of energy produced by clients in the portfolio

(7.53.4.4) Methodology used when setting the target

Select from:

☑ A combination of the above

(7.53.4.5) Date target was set

(7.53.4.6) Target is set and progress against it is tracked at

Select from:
☑ Sector level

(7.53.4.7) Sector

Select from:
☑ Fossil Fuels

(7.53.4.8) Portfolios covered by the target

Select all that apply
☑ Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply
☑ Loans

(7.53.4.12) Target type: Absolute or intensity

Select from:
☑ Intensity

(7.53.4.16) Metric (or target numerator if intensity)

Select from:
☑ Other, please specify :tCO2e

(7.53.4.17) Target denominator

Select from:

☑ Other, please specify :Terajoules

(7.53.4.18) % of portfolio covered in relation to total portfolio value

95

(7.53.4.21) Frequency of target reviews

Select from:

☑ Every five years

(7.53.4.22) End date of base year

10/31/2019

(7.53.4.23) Figure in base year

7.69

(7.53.4.24) We have an interim target

Select from:

☑ Yes

(7.53.4.25) End of interim target year

10/31/2030

(7.53.4.26) Figure in interim target year

6.51

(7.53.4.27) End date of target

10/31/2050

(7.53.4.28) Figure in target year

1.96

(7.53.4.29) Figure in reporting year

6.18

(7.53.4.30) % of target achieved relative to base year

26.352530541012225

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, it has been set in line with the Glasgow Financial Alliance for Net Zero (GFANZ) commitments, and we have committed to seek validation by, or it is currently being reviewed by, the Science Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

Sector: Oil and Gas producers Scope 3. This includes loans to clients in the Oil and gas sector identified by NAICS code. We only consider Oil and Gas producers.

(7.53.4.38) Target objective

1.5C aligned

Row 4

(7.53.4.1) Target reference number

Select from:

☑ Por4

(7.53.4.2) Target type

Select from:

☑ Other, please specify :weighted average GHG emissions in tonnes of carbon dioxide equivalent (tCO2 e) and square footage for each counterparty in the portfolio that owned commercial property

(7.53.4.4) Methodology used when setting the target

Select from:

☑ A combination of the above

(7.53.4.5) Date target was set

03/31/2022

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

☑ Sector level

(7.53.4.7) Sector

Select from:

☑ Infrastructure

(7.53.4.8) Portfolios covered by the target

Select all that apply

☑ Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Loans

☑ Real estate

(7.53.4.12) Target type: Absolute or intensity

Select from:

☑ Intensity

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Other, please specify :tCO2e

(7.53.4.17) Target denominator

Select from:

☑ Other, please specify :1,000 sq.ft.

(7.53.4.18) % of portfolio covered in relation to total portfolio value

95

(7.53.4.21) Frequency of target reviews

Select from:

☑ Every five years

(7.53.4.22) End date of base year

10/31/2019

(7.53.4.23) Figure in base year

2.79

(7.53.4.24) We have an interim target

Select from:

☑ Yes

(7.53.4.25) End of interim target year

10/31/2030

(7.53.4.26) Figure in interim target year

1.4

(7.53.4.27) End date of target

10/31/2050

(7.53.4.28) Figure in target year

0.07

(7.53.4.29) Figure in reporting year

2.14

(7.53.4.30) % of target achieved relative to base year

23.897058823529406

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, it has been set in line with the Glasgow Financial Alliance for Net Zero (GFANZ) commitments, and we have committed to seek validation by, or it is currently being reviewed by, the Science Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

Sector: Commercial real estate Scope 1 and 2. This includes loans to finance our clients in the commercial Real estate activities identified by NAICS.

(7.53.4.38) Target objective

1.5C aligned
[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Net-zero targets

☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:
☑ Oth 1

(7.54.2.2) Date target was set

11/01/2020

(7.54.2.3) Target coverage

Select from:
☑ Business activity

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Green finance
☑ Other green finance, please specify :Growth percentage of renewable-energy-related fuding assets

(7.54.2.7) End date of base year

10/31/2019

(7.54.2.8) Figure or percentage in base year

0

(7.54.2.9) End date of target

10/31/2023

(7.54.2.10) Figure or percentage at end of date of target

3.9

(7.54.2.11) Figure or percentage in reporting year

3.9

(7.54.2.12) % of target achieved relative to base year

100.0000000000

(7.54.2.13) Target status in reporting year

Select from:

☑ Achieved

(7.54.2.15) Is this target part of an emissions target?

It is a target for the growth of renewable-energy-related funding assets in the Bank's portfolio of loans.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

The target covers the portfolio of loans covering energy-related funding assets (renewable and non-renewable). The goal is to grow the proportion of renewable-energy related funding assets at a faster pace than those related to non-renewable energy. As at October 31, 2022, the credit risk exposure of the portfolio of loans related to renewable energy had increased by 26% since January 31, 2019, while the portfolio of loans related to non-renewable energy had decreased by 29% over the same period. The target is achieved since non-renewable-energy-related loans decreased at a faster pace than the rate of renewable-energy related loans.

(7.54.2.19) Target objective

Grow the proportion of loans related to renewable energy at a faster pace than the proportion of loans related to non-renewable energy over the medium and long term

(7.54.2.21) List the actions which contributed most to achieving this target

The Bank remains committed to reducing the carbon footprint of its loan portfolio through its support for businesses in North America in the renewable energy sector, sound management of its energy portfolio and increased investments in green energy.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

03/22/2021

(7.54.3.3) Target Coverage

Select from:
☑ Banking (Bank)

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Por1

(7.54.3.5) End date of target for achieving net zero

10/31/2050

(7.54.3.6) Is this a science-based target?

Select from:
☑ No, and we do not anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply
☑ Scope 1

(7.54.3.9) Greenhouse gases covered by target

Select all that apply
☑ Carbon dioxide (CO2)
☑ Methane (CH4)
☑ Nitrous oxide (N2O)

(7.54.3.10) Explain target coverage and identify any exclusions

Sector: Power Generation Scope 1. This includes loans to clients in the power generation sector identified by NAICS code. Excluding project in construction.

(7.54.3.11) Target objective

33% reduction by 2030

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:
☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:
☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.17) Target status in reporting year

Select from:
☑ Underway

(7.54.3.19) Process for reviewing target

Every 5 years

Row 2

(7.54.3.1) Target reference number

Select from:
☑ NZ2

(7.54.3.2) Date target was set

03/22/2021

(7.54.3.3) Target Coverage

Select from:
☑ Banking (Bank)

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Por2

(7.54.3.5) End date of target for achieving net zero

10/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

(7.54.3.10) Explain target coverage and identify any exclusions

Sector: Oil and Gas producers Scope 1and 2. This includes loans to clients in the Oil and gas sector identifoed by NAICS code. We only consider Oil and Gas producers.

(7.54.3.11) Target objective

31% reduction by 2030

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.17) Target status in reporting year

Select from:
☑ Underway

(7.54.3.19) Process for reviewing target

Every 5 years

Row 3

(7.54.3.1) Target reference number

Select from:
☑ NZ3

(7.54.3.2) Date target was set

03/21/2022

(7.54.3.3) Target Coverage

Select from:
☑ Banking (Bank)

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Por3

(7.54.3.5) End date of target for achieving net zero

10/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO_2)

☑ Methane (CH_4)

☑ Nitrous oxide (N_2O)

(7.54.3.10) Explain target coverage and identify any exclusions

Sector: Oil and Gas producers Scope 3. This includes loans to clients in the Oil and gas sector identifoed by NAICS code. We only consider Oil and Gas producers.

(7.54.3.11) Target objective

31% reduction by 2030

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Every 5 years

Row 4

(7.54.3.1) Target reference number

Select from:

☑ NZ4

(7.54.3.2) Date target was set

03/21/2022

(7.54.3.3) Target Coverage

Select from:

☑ Banking (Bank)

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Por4

(7.54.3.5) End date of target for achieving net zero

10/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO_2)

☑ Methane (CH_4)

☑ Nitrous oxide (N_2O)

(7.54.3.10) Explain target coverage and identify any exclusions

Sector: Commercial real estate Scope 1 and 2. This includes loans to finance our clients in the commercial Real estate activities identified by NAICS.

(7.54.3.11) Target objective

50% reduction by 2030

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Every 5 years
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:
☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*5*	*`Numeric input*
To be implemented	*18*	*162.55*
Implementation commenced	*20*	*141.95*
Implemented	*10*	*32.6*
Not to be implemented	*3*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Company policy or behavioral change

☑ Site consolidation/closure

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

40.2

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

168800

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ <1 year

(7.55.2.9) Comment

16 sites affected

Row 4

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Building Energy Management Systems (BEMS)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

16.8

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

20000

(7.55.2.7) Payback period

Select from:
☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 16-20 years

(7.55.2.9) Comment

BMS system

Row 5

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Building Energy Management Systems (BEMS)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

3.2

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1
☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

2500

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

2500

(7.55.2.7) Payback period

Select from:
☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

Remote Recomissioning

Row 6

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Building Energy Management Systems (BEMS)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

12.9

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

2200

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

455000

(7.55.2.7) Payback period

Select from:

☑ 16-20 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

Remote connectivity and building

Row 7

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

150.1

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

55400

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

1080030

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

Addition of controls in the building to have remote access

Row 8

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

4

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

500

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

optimisation of existing mechanical components

Row 9

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

57.1

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

5000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

525000

(7.55.2.7) Payback period

Select from:

☑ 16-20 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

Replacement of HVAC units by modern, better performing ones

Row 10

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Lighting

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

22

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

10220

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

40000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

Replacing old T8 lighting fixtures with LED

Row 11

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Maintenance program

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

14

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

20000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

5000

(7.55.2.7) Payback period

Select from:
☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 16-20 years

(7.55.2.9) Comment

Commissioning of existing systems.

Row 12

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Motors and drives

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

44

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1
☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

20500

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

70000

(7.55.2.7) Payback period

Select from:
☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 16-20 years

(7.55.2.9) Comment

Install drives on existing HVAC units

Row 13

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption
☑ Biogas

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

31

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

500

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ <1 year

(7.55.2.9) Comment

Migration from natural gas to renewable natural gas

Row 14

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

5.2

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

9000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

95000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

PV panels installation on a branch in New Brunswick
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:
☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

NBC has been buying biogas from Energir (Québec's natural gas provider). This natural gas is produced by transforming household food waste into biomass. By paying a premium on their energy bill, NBC contributes to R&D through this third party and to increasing the provision of a low-carbon natural gas across the province. Our Scope 1 emissions will benefit from this low-carbon supply and thus reduce over time.

Row 2

(7.55.3.1) Method

Select from:
☑ Other :External financial incentives

(7.55.3.2) Comment

NBC takes part in an Electricity management systems (EMS) program for businesses ran by its electricity provider in Quebec. This program aims to provide financial assistance for any energy efficiency projects in buildings. NBC has received financial support from this program when the company installed energy-efficient systems or components (e.g. lights, lighting controls, power monitoring system, etc.). These projects helped reduce our Scope 1 and Scope 2 emissions.

Row 3

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

The Engineering, Operation and Sustainable Development team within NBC has a dedicated budget for projects related to the optimization of control systems for the NBC branches. All activities conducted within these projects are planned and implemented with the help of an external firm specialized in energy efficiency to ensure that they follow energy efficiency standards while maintaining the comfort of building occupants and reducing operational costs. In addition, when branches are going through a major refurbishment or retrofit, an additional budget is always invested in the HVAC system to ensure that it fulfills NBC's requirements in terms of energy efficiency. These projects helped reduce our Scope 1 and Scope 2 emissions.
[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ Yes

(7.79.1) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Row 1

(7.79.1.1) Project type

Select from:

☑ Other, please specify **:**Forest protection and SME decarbonization

(7.79.1.2) Type of mitigation activity

Select from:

☑ Emissions reduction

(7.79.1.3) Project description

In 2024, the Bank purchased 21,392 Carbon Credits to offset its 2023 emissions from Will Solutions and as part of forestry projects.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

21392

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ VCS (Verified Carbon Standard)

[Add row]

C12. Environmental performance - Financial Services

(12.1) Does your organization measure the impact of your portfolio on the environment?

Banking (Bank)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

☑ Yes

(12.1.2) Disclosure metric

Select all that apply

☑ Financed emissions

Investing (Asset manager)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

☑ No, but we plan to do so in the next two years

(12.1.3) Primary reason for not measuring portfolio impact on climate

Select from:

☑ Other, please specify :We already measure our financed emissions from our investments, we would like to improve our calculation process as we face data availabilites contraints.

(12.1.4) Explain why your organization does not measure its portfolio impact on climate

Lack of internal resources

Investing (Asset owner)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

☑ No, but we plan to do so in the next two years

(12.1.3) Primary reason for not measuring portfolio impact on climate

Select from:

☑ Not an immediate strategic priority

(12.1.4) Explain why your organization does not measure its portfolio impact on climate

Lack of internal resources
[Fixed row]

(12.1.1) Provide details of your organization's financed emissions in the reporting year and in the base year.

Banking (Bank)

(12.1.1.1) Asset classes covered in the calculation

Select all that apply

☑ Loans

☑ Project finance

☑ Real estate

(12.1.1.2) Financed emissions (metric unit tons CO2e) in the reporting year

5800000

(12.1.1.3) % of portfolio covered in relation to total portfolio value

7

(12.1.1.4) Total value of assets included in the financed emissions calculation

37090550000.00

(12.1.1.5) % of financed emissions calculated using data obtained from clients/investees (optional)

4

(12.1.1.6) Emissions calculation methodology

Select from:

☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.1.7) Weighted data quality score (for PCAF-aligned data quality scores only)

4

(12.1.1.8) Financed emissions (metric unit tons CO2e) in the base year

11448000

(12.1.1.9) Base year end

12/31/2019

(12.1.1.10) % of undrawn loan commitments included in the financed emissions calculation

0

(12.1.1.11) Please explain the details of and assumptions used in your calculation

Year 2023: For this year the financed emissions are calculated only for Oil and Gas producers, and Commercial real estate sectors that respect our target setting criterias/perimeter. We don't have the information for Power Generation because production data was not vailable at this period. For these sectors financed emissions

are calculated using the gross loan (we don't take into consideration undrawn amount). For the base year, financed emissions are calculated for Oil and Gas producers, and Commercial real estate sectors and Power Generation.
[Fixed row]

(12.1.2) Disclose or restate your financed emissions for previous years.

Past year 1 for Banking (Bank)

(12.1.2.1) End Date

10/31/2022

(12.1.2.2) Financed emissions (metric unit tons CO2e) in the reporting year

11083000

(12.1.2.3) % of portfolio covered in relation to total portfolio value

48

(12.1.2.4) % calculated using data obtained from clients/investees

4

(12.1.2.5) Emissions calculation methodology

Select from:
☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.2.6) Please explain the details of and assumptions used in your calculation

The reporting year is 2022. The financed emissions are calculated on the gross loan amount. The total cover scope 1 and 2 emissions for all sectors presented in p36 of the 2023 climate report and include Scope 3 emissions for Oil and gas sector. extract from the report:" Absolute financed emissions for Scope 1 and 2 totaled 7.2 million tCO2e as at October 31, 2022. Currently, only Scope 3 financed emissions are quantified for the oil and gas sector (3.9 MtCO2e). Other activity sectors are not assessed, owing to limitations on data availability to adequately quantify Scope 3 emissions".

[Fixed row]

(12.2) Are you able to provide a breakdown of your organization's financed emissions and other portfolio carbon footprinting metrics?

	Portfolio breakdown
Banking (Bank)	*Select all that apply* ☑ Yes, by industry

[Fixed row]

(12.2.1) Break down your organization’s financed emissions and other portfolio carbon footprinting metrics by asset class, by industry, and/or by scope.

Row 1

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.3) Industry

Select from:

☑ Power generation

(12.2.1.7) Value of assets covered in the calculation

5834000000

(12.2.1.8) Financed emissions or alternative metric

516000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ Yes

(12.2.1.10) Value of assets covered in the calculation based on outstanding loan amounts

5834000000

(12.2.1.11) Value of assets covered in the calculation including undrawn loan commitments

2353000000

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022 The Bank's Power Generation portfolio contains business loans to power generation companies and specific project financing for the operation or construction of power generation facilities. These include fossil-fuel power plants (coal) and renewable energy power plants (including nuclear, hydro, solar, wind and biogas) or transitional energy power plants (natural gas) excluding Pipelines

Row 2

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO_2e)

(12.2.1.3) Industry

Select from:

☑ Fossil Fuels

(12.2.1.7) Value of assets covered in the calculation

1435000000

(12.2.1.8) Financed emissions or alternative metric

487000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ No

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022 for Oil and Gas producers and services aligned with our Supplementary financial information industry classification

Row 3

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO_2e)

(12.2.1.3) Industry

Select from:

☑ Retail

(12.2.1.7) Value of assets covered in the calculation

63707000000

(12.2.1.8) Financed emissions or alternative metric

837000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ No

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022 Includes motor vehicle loans and Residentials mortgages without HELOC as described by PCAF guidances

Row 4

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.3) Industry

Select from:

☑ Transportation services

(12.2.1.7) Value of assets covered in the calculation

2209000000

(12.2.1.8) Financed emissions or alternative metric

486000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ No

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022 Includes loans to tranportation sector aligned with our Supplementary financial information industry classification

Row 5

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.3) Industry

Select from:

☑ Food, beverage & agriculture

(12.2.1.7) Value of assets covered in the calculation

8109000000

(12.2.1.8) Financed emissions or alternative metric

3150000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ No

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022 Includes loans to agriculture sector aligned with our Supplementary financial information industry classification

Row 6

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.3) Industry

Select from:

☑ Infrastructure

(12.2.1.7) Value of assets covered in the calculation

22367000000

(12.2.1.8) Financed emissions or alternative metric

221000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ No

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022 includes Loans for commercial real estate sector aligned with our Supplementary financial information industry classification

Row 7

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.3) Industry

Select from:

☑ Manufacturing

(12.2.1.7) Value of assets covered in the calculation

1176000000

(12.2.1.8) Financed emissions or alternative metric

414000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ No

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022: This calculation includes all mining activities and manufacturing activities associated to Iron &Steel, Cement and Aluminium sectors.

Row 8

(12.2.1.1) Portfolio

Select from:
☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:
☑ Absolute portfolio emissions (tCO_2e)

(12.2.1.3) Industry

Select from:
☑ Services

(12.2.1.7) Value of assets covered in the calculation

2381000000

(12.2.1.8) Financed emissions or alternative metric

1072000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:
☑ No

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Results of financed emissions as of 2022: This calculation includes Pipelines and other services
[Add row]

(12.3) State the values of your financing and insurance of fossil fuel assets in the reporting year.

Lending to all fossil fuel assets

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

12835098529

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

3065920481

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

4

(12.3.6) Details of calculation

Exposure is calculated as the total exposure to credit risk and includes amounts drawn, undrawn commitments and other off-balance-sheet items as presented on page 83 of the 2023 Annual Report. Fossil fuel includes: Oil and Gas, Coal, Electric Utilities (excluding water utilities and independent power and renewable electricity producers) Pipelines, see p.35 of our Climate Report 2023.

Lending to thermal coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Other, please specify :We do not disclose seperatly thermal coal numbers.

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

The value for Coal is included in Fossil Fuels

Lending to met coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Other, please specify :We do not disclose seperatly met coal numbers.

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

The value for Coal is included in Fossil Fuels

Lending to oil

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Other, please specify :We do not disclose seperatly the Oil and Gas numbers.

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

The value for Oil is included in Fossil Fuels

Lending to gas

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Other, please specify **:**We do not disclose seperatly the Oil and Gas numbers.

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

The value for Gas is included in Fossil Fuels

Investing in all fossil fuel assets (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Not an immediate strategic priority

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

need to expand our data coverage to eliminate gaps

Investing in thermal coal (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Not an immediate strategic priority

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

need to expand our data coverage to eliminate gaps

Investing in met coal (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Not an immediate strategic priority

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

need to expand our data coverage to eliminate gaps

Investing in oil (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:
☑ Not an immediate strategic priority

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

need to expand our data coverage to eliminate gaps

Investing in gas (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:
☑ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:
☑ Not an immediate strategic priority

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

need to expand our data coverage to eliminate gaps
[Fixed row]

(12.4) Does your organization provide finance and/or insurance to companies in the commodity value chain? If so, for each commodity and portfolio, state the values of your financing and/or insurance in the reporting year.

Lending to companies operating in the timber products value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Lending to companies operating in the palm oil value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Lending to companies operating in the cattle products value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Lending to companies operating in the soy value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Lending to companies operating in the rubber value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Lending to companies operating in the cocoa value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Lending to companies operating in the coffee value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Investing (asset manager) to companies operating in the timber products value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Investing (asset manager) to companies operating in the palm oil value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown

Investing (asset manager) to companies operating in the cattle products value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:
☑ Unknown
[Fixed row]

(12.5) In the reporting year, did your organization finance and/or insure activities or sectors that are aligned with, or eligible under, a sustainable finance taxonomy? If so, are you able to report the values of that financing and/or underwriting?

	Reporting values of the financing and/or insurance of activities or sectors that are eligible under or aligned with a sustainable finance taxonomy	Primary reason for not providing values of the financing and/or insurance	Explain why you are not providing values of the financing and/or insurance
Banking (Bank)	*Select from:* ☑ No, and we do not plan to report in the next two years	*Select from:* ☑ No standardized procedure	*waiting for a canadian taxonomy*
Investing (Asset manager)	*Select from:* ☑ No, and we do not plan to report in the next two years	*Select from:* ☑ No standardized procedure	*waiting for a canadian taxonomy*
Investing (Asset owner)	*Select from:* ☑ No, and we do not plan to report in the next two years	*Select from:* ☑ No standardized procedure	*waiting for a canadian taxonomy*

[Fixed row]

(12.6) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues?

	Existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues
	Select from: ☑ Yes

[Fixed row]

(12.6.1) Provide details of your existing products and services that enable clients to mitigate and/or adapt to the effects of environmental issues, including any taxonomy or methodology used to classify the products and services.

Row 1

(12.6.1.1) Environmental issue

Select all that apply

☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

☑ Adaptation

(12.6.1.3) Portfolio

Select from:

☑ Investing (Asset manager)

(12.6.1.4) Asset class

Select from:

☑ Other, please specify :Investing (Mutual funds and ETFs)

(12.6.1.5) Type of product classification

Select all that apply

☑ Products that have sustainable investment as their core objective

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply
☑ Climate Bonds Taxonomy
☑ Green Bond Principles (ICMA)
☑ Internally classified

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply
☑ Renewable energy
☑ Emerging climate technology, please specify **:As an example, we help finance multiple wind farm projects across different geographies.**
☑ Nature-based solutions
☑ Low-emission transport
☑ Paperless/ digital service
☑ Green buildings and equipment

(12.6.1.8) Description of product/service

Sustainability-Linked Loans: The Bank has been active in the new and fast-growing Sustainability-Linked Loan (SLL) market. SLLs are increasingly associated with the transition to renewable energy and the fight against climate change. Borrowers can benefit from rate discounts when financing projects that will have a positive impact on sustainable development. This type of loan is mainly intended for businesses that have integrated ESG criteria and targets into their strategy. NBI's suite of Sustainable products consists of 5 ETFs (of which 3 are also available in a mutual fund format). These funds and ETFs invest in securities aligned with one or more of the United Nations Sustainable Development Goals (SDG), in particular SDG 7 – Affordable and clean energy and SDG 13 – Climate action. These Sustainable funds and ETFs represent 6.8% of total AUM. Our fixed income products, which represent 44% of our Sustainable products, use the ICMA Green, Social and Sustainable Bond Principles. Our equity products, representing the remaining 56%, assess revenue alignment with SDG.

Row 2

(12.6.1.1) Environmental issue

Select all that apply
☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

(12.6.1.3) Portfolio

Select from:

☑ Banking (Bank)

(12.6.1.4) Asset class

Select from:

☑ Loans

(12.6.1.5) Type of product classification

Select all that apply

☑ Products that promote environmental and/or social characteristics

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☑ The EU Taxonomy for environmentally sustainable economic activities

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☑ Emerging climate technology, please specify :Battery storage, SMART metering tech, storm detection software, etc.

☑ Green buildings and equipment

☑ Low-emission transport

☑ Renewable energy

(12.6.1.8) Description of product/service

The Bank remains active in the Sustainability-Linked Loans market. SLLs can be associated with the transition to renewable energy and the fight against climate change. Borrowers can benefit from rate discounts when financing projects that will have a positive impact on sustainable development. This type of loan is mainly *intended for businesses that have integrated ESG criteria and targets into their strategy. The bank had 6.9B in sustainability-linked loans authorized as of October 31, 2023*

Row 3

(12.6.1.1) Environmental issue

Select all that apply

☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

(12.6.1.3) Portfolio

Select from:

☑ Banking (Bank)

(12.6.1.4) Asset class

Select from:

☑ Project finance

(12.6.1.5) Type of product classification

Select all that apply

☑ Products that promote environmental and/or social characteristics

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☑ Internally classified

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☑ Renewable energy

(12.6.1.8) Description of product/service

The Bank remains committed to reducing the carbon footprint of its loan portfolio through its support for businesses in North America in the renewable energy sector, sound management of its energy portfolio and increased investments in green energy. To support the sector's growth, NBFM has a team dedicated to providing loans linked to the growth of renewable energy in North America, and offers differentiated, world-class advisory services, supporting clients' efforts to provide cleaner energy alternatives and promote more sustainable economic models. Since 2019 and as at October 31, 2023, the Bank has disbursed 11 billion in capital for renewable energy projects in North America (wind, solar, battery and hydroelectricity, etc.) As at October 31, 2023, the loan portfolio exposure to renewable energy as a percentage of total bank credit risk exposure was 3.9%

Row 4

(12.6.1.1) Environmental issue

Select all that apply

☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

(12.6.1.3) Portfolio

Select from:

☑ Banking (Bank)

(12.6.1.4) Asset class

Select from:

☑ Other, please specify :Sustainable Bonds

(12.6.1.5) Type of product classification

Select all that apply

☑ Products that promote environmental and/or social characteristics

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☑ Green Bond Principles (ICMA)

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☑ Green buildings and equipment

☑ Renewable energy

☑ Other, please specify :Affordable Housing and Access to basic essential services

(12.6.1.8) Description of product/service

As at December 31, 2022, the proceeds of sustainable bonds were used by the Bank to finance over 3.2 billion in sustainable development projects. Under the reference framework, these proceeds can be used to finance or refinance, in whole or in part, eligible businesses and eligible projects that fall within the following categories: Renewable Energy, Energy Efficiency, Pollution Prevention and Control, Sustainable Water and Wastewater Management, Sustainable Buildings, Low-Carbon Transportation, Affordable Housing, Access to Basic and Essential Services and Loans to Small and Medium-sized Enterprises (SMEs) located in deprived economic zones. As at October 31, 2023, the total amount of proceeds allocated to Eligible Assets or Businesses was 3.27 billion CAD

[Add row]

(12.7) Has your organization set targets for deforestation and conversion-free and/or water-secure lending, investing and/or insuring?

	Target set	Explain why your organization has not set targets for deforestation- and conversion-free and/or water-secure lending, investing and/or insuring
Forests	*Select from:* ☑ No, we have not set such targets, but we plan to within the next two years	*Not an immeditate strategic priority*
Water	*Select from:* ☑ No, we have not set such targets, but we plan to within the next two years	*Not an immeditate strategic priority*

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Other data point in module 7, please specify :Financed emissions

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

A limited assurance with a third party was conducted on National Bank's 2023 Report on the United Nations Principles for Responsible Banking. This report includes data on the Bank's financed emissions.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Limited Assurance report - EN.pdf
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Senior Manager, Sustainable Development and Co-lead ESG

(13.3.2) Corresponding job category

Select from:

☑ Environment/Sustainability manager

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

☑ No