



NATIONAL BANK OF CANADA

(a Canadian chartered bank)

CAD 20,000,000,000

Legislative Global Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments by
NBC COVERED BOND (LEGISLATIVE) GUARANTOR LIMITED PARTNERSHIP
(a limited partnership formed under the laws of Ontario)

This Supplement (the “**Supplement**”) to the base prospectus dated 9 September 2024 (the “**Prospectus**”), which comprises a base prospectus under Article 8 of Regulation (EU) 2017/1129, as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”) for National Bank of Canada (the “**Bank**”, the “**Issuer**” or “**NBC**”) constitutes a supplementary prospectus in respect of the base prospectus for NBC for purposes of Article 23 of the UK Prospectus Regulation, and is prepared in connection with the CAD 20,000,000,000 Legislative Global Covered Bond Programme of NBC, unconditionally and irrevocably guaranteed as to payments by NBC Covered Bond (Legislative) Guarantor Limited Partnership (the “**Guarantor**”), established by NBC.

Terms defined in the Prospectus have the same meaning when used in this Supplement. This Supplement is supplemental to, and shall be read in conjunction with, the Prospectus. This Supplement has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”), which is the United Kingdom competent authority for the purposes of the UK Prospectus Regulation, as a supplement to the Prospectus.

NBC and the Guarantor accept responsibility for the information in this Supplement. To the best of the knowledge of NBC and the Guarantor, the information contained in this Supplement is in accordance with the facts and the Supplement contains no omission likely to affect its import.

The purpose of this Supplement is to: (I) incorporate by reference in the Prospectus NBC’s: (a) 2024 Annual Information Form (as defined below); (b) latest audited annual results (including management’s discussion and analysis thereof) (the “**2024 Annual Report**”); and (c) monthly investor reports for the months of August 2024, September 2024 and October 2024, containing information on the Covered Bond Portfolio; (II) update the litigation statement and the no significant change and no material adverse change statements in the section of the Prospectus entitled “*General Information*”; and (III) amend the section of the Prospectus entitled “*Risk Factors*” in connection with the publication of the 2024 Annual Report.

Save as disclosed in this Supplement, no significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of Covered Bonds issued under the Programme has arisen or been noted, as the case may be, since the publication of the Prospectus.

THE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION (“**CMHC**”) NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THIS SUPPLEMENTARY PROSPECTUS. THE COVERED BONDS ARE NOT INSURED OR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in, or incorporated by reference in, the Prospectus prior to the date of this Supplement, the statements in (a) above will prevail.

I. DOCUMENTS INCORPORATED BY REFERENCE

By virtue of this Supplement the section entitled “*Documents Incorporated by Reference*” shall be supplemented as follows:

The following documents which have previously been published by the Bank or are published simultaneously with this Supplement are hereby incorporated by reference in, and form part of, the Prospectus:

- (a) The Bank’s [Annual Information Form](#) dated 3 December 2024 (the “**2024 Annual Information Form**”);
- (b) The following sections of the [2024 Annual Report](#) for the year ended 31 October 2024:
 - (i) Management’s Discussion and Analysis of the Bank for the fiscal year ended 31 October 2024 on pages 13 to 133 of the 2024 Annual Report;
 - (ii) a discussion of economic review and outlook on page 24 of the 2024 Annual Report;
 - (iii) a business segment analysis on pages 28 to 47 of the 2024 Annual Report;
 - (iv) a discussion of securitization and off-balance sheet arrangements on pages 53 to 54 of the 2024 Annual Report;
 - (v) information concerning risk management on pages 65 to 112 of the 2024 Annual Report;
 - (vi) a discussion of material accounting policies and accounting estimates on pages 113 to 118 of the 2024 Annual Report;
 - (vii) a description of the Bank’s share capital on pages 207 to 210 of the 2024 Annual Report;
 - (viii) information concerning principal subsidiaries of the Bank on page 230 of the 2024 Annual Report; and
 - (ix) the Bank’s audited consolidated financial statements for the years ended 31 October 2024 and 2023, together with the notes thereto and the independent auditor’s report thereon dated 3 December 2024 on pages 135 to 237 of the 2024 Annual Report, included therein,

the remainder of the 2024 Annual Report is either not relevant for prospective investors or is covered elsewhere in the Prospectus and is not incorporated by reference;

- (c) the Bank’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 30 August 2024 (the “**August Investor Report**”);
- (d) the Bank’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 27 September 2024 (the “**September Investor Report**”); and
- (e) the Bank’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 31 October 2024 (the “**October Investor Report**” and together with the August 2024 Investor Report, the September 2024 Investor Report, the “**Investor Reports**”).

Copies of the 2024 Annual Information Form, the 2024 Annual Report and the Investor Reports have been submitted to the National Storage Mechanism (operated by the FCA), and are available for viewing at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

II. GENERAL INFORMATION

By virtue of this Supplement, paragraphs 3, 4 and 5 of the section entitled “*General Information*” of the Prospectus are deleted and replaced with the following:

“3. Other than as noted under the heading “Litigation” on page 117 to 118 of the 2024 Annual Report, under the subsection entitled “Notice of Assessment” in Note 26 on page 222 and under the subsection entitled “Contingent Liabilities – Litigation” in Note 28 on page 226 of the 2024 Annual Report, incorporated by reference herein, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Guarantor is aware) during the 12 months prior to the date of this document, which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and its subsidiaries taken as a whole or the Guarantor.

4. There has been no significant change in the financial performance or financial position of the Issuer and its subsidiaries, including the Guarantor, taken as a whole since 31 October 2024, the last day of the financial period in respect of which the most recent comparative published audited annual consolidated financial statements of the Issuer have been prepared.

5. There has been no material adverse change in the prospects of the Issuer and its subsidiaries, including the Guarantor, taken as a whole since 31 October 2024, the last day of the financial period in respect of which the most recent comparative published audited annual consolidated financial statements of the Issuer have been prepared.”

III. RISK FACTORS

By virtue of this Supplement, the section of the Prospectus entitled “*Risk Factors*” is amended as follows:

- (a) The risk factor entitled “*Protection of Personal Information*” under the heading: “*I. Factors which are material for the purpose of assessing risks relating to the Issuer – Operational and Strategic Risk*” is deleted in its entirety and replaced with the following:

“(g) *Data Risk and Protection of Personal Information*

The Issuer operates in an environment where data plays a crucial role, both as a growth driver and potential source of risk. The Issuer understands that the volume of data created, transformed and handled on a regular basis by all its segments generates a risk that could give rise to a financial impact (regulatory penalties, increase in operating costs, etc.) and an impact on its reputation, but that could also have an impact on the Issuer’s clients.

The importance of effective data governance and management has grown with the rapid evolution of technology. On the one hand, the use of artificial intelligence requires quality data and generates new risks, including ethical risks, such as potential biases. On the other hand, the regulatory authorities requirements are constantly evolving.

The Issuer recognizes data as strategic assets and has set the objective of enhancing the quality and integrity of data to unlock their full strategic value and improve decision-making while complying with regulatory requirements. To support its effort, the Issuer applies industry best governance and risk management practices and relies in particular on the Basel Committee principles as well as internationally recognized principles that are adopted by major financial institutions. In addition, the Issuer continues its effort and investments to adopt new technologies and exploit the value of data with a view to supporting informed decisions and meeting clients needs with greater agility.

The Issuer’s Data Office established a data governance framework emphasizing data quality, security, transparency, protection and management. The Issuer’s Data Council ensures data management is aligned with the corporate strategy. The Issuer’s Data Office ensures that the data strategy is deployed and operationalized in each segment. Governance, accountability and risk management committees are in place to monitor the progress of initiatives, ensure effective governance and sound data management and oversee data risk across the Issuer.

A significant proportion of the data held by the Issuer is personal information about its customers and employees. Risks related to protecting personal information exist throughout the entire lifecycle of information and arise, in particular, from new control measures and processes as well as from ever-evolving legislative requirements. Such risks could also arise from information being improperly created, collected, used, communicated, stored, or destroyed. Exposure to such risks may increase when the Issuer uses external service providers to process personal information. The collection, use,

and communication of personal information as well as the management and governance thereof are receiving increasing attention, and the Issuer is investing in technological solutions and innovations according to the evolution of its commercial activities.

These risks could lead to the loss or theft of personal information; decline of the client base; financial losses; non-compliance with legislation in effect; investigations; legal disputes; penalties; punitive damages; regulatory orders; reputational damage; compliance costs; corrective actions; and cost hikes to maintain and upgrade technological infrastructures and systems, all of which could affect the Issuer's operating results or financial position, in addition to having an impact on its reputation.

In recent years, innovations and the proliferation of technological solutions that process or store personal information such as cloud computing, artificial intelligence, machine learning, and open banking, gave rise to significant legislative changes in many jurisdictions, including Canada and Quebec. Further information on recent legislative changes can be found in the section entitled "*Regulatory Compliance Risk - Protection of Personal Information section*" on page 107 of the Issuer's 2024 Annual Report, which is incorporated by reference in this Prospectus.

The Issuer continues to monitor relevant legislative developments and enhance its governance by updating its policies, standards and practices and by deploying a privacy program that reflects its determination to maintain the trust of its clients.

There can be no guarantee that the Issuer's policies, standards and practices will be sufficient to prevent any of the risks described above related to the protection of personal information. Should any such risks materialise, it could cause the Issuer to be subject to client attrition; financial loss; non-compliance with legislation; legal disputes; fines; penalties; punitive damages; regulatory action; reputational damage; compliance, remediation, investigative, or restoration costs; cost hikes to maintain and upgrade technological infrastructures and systems, all of which could affect the Issuer's operating results or financial position, in addition to having an impact on its reputation."

- (b) The risk factor entitled "*The Issuer's revenues and earnings are substantially dependent on the general economic, geopolitical and business conditions in regions where it operates*" under the heading: "*1. Factors which are material for the purpose of assessing risks relating to the Issuer – Risks relating to the external political, economic and competitive environments of the Issuer*" is deleted in its entirety and replaced with the following:

"(a) The Issuer's revenues and earnings are substantially dependent on the general economic, geopolitical and business conditions in regions where it operates

Although the Issuer operates primarily in Canada, it also has business operations in the United States and other countries. See the sections entitled "*Economic Review and Outlook*" on page 24 of the Issuer's 2024 Annual Report and "*Business Segment Analysis*" on pages 28 to 47 of the Issuer's 2024 Annual Report, each of which is incorporated by reference in this Prospectus, for a description of the global, Canadian and Quebec economies relevant to the Issuer and a detailed analysis of the Issuer's principal business segments. The Issuer is exposed to financial risks outside Canada and the United States primarily through its interbank transactions on international financial markets or through international trade finance activities. This geographic exposure represents a moderate proportion of the Issuer's total risk.

Government decisions and international relations can have a significant impact on the environment in which the Issuer operates. Geopolitical events can lead to volatility, have a negative impact on at-risk assets, and cause financial conditions to deteriorate. They can also directly or indirectly affect banking activities by having repercussions on clients. The war in Ukraine, which has temporarily disrupted energy and agricultural supply chains, is a good example. The economic sanctions taken against Russia for its invasion of Ukraine and the steps taken by Russia to significantly reduce natural gas supply to Europe have led to soaring energy costs. In turn, this situation has triggered the economic headwinds now facing Europe and heightened the risk of a political reaction in the form of new governments taking power and social unrest. Even if the war were to end, the shattered trust suggests that Europe and Russia will continue to take measures to become less dependent on one another, notably regarding energy matters. In addition, the current conflict between Hamas and Israel adds a new risk of regional escalation in the Middle East. As at the date of this Prospectus, there is an escalation between Israel and Hezbollah in Lebanon, which is supported by Iran. The greatest risk is that this conflict spreads and develops into a more direct and lengthy confrontation between Iran and Israel, which could complicate oil deliveries in the Persian Gulf. This would have negative consequences on the global geopolitical and economic landscape, as well as on energy prices. While new risks could arise at any time, certain concerns are

compelling the Issuer to monitor other situations at this time. The geopolitical power struggle that for years has pitted the United States against China is one such concern. Businesses, in particular those operating in sectors deemed strategic, run an increasing risk of finding themselves in a maze of contradictory regulations, where complying with U.S. regulations means violating Chinese law, and vice versa. These tensions could also partially undo some of the ties forged between these two superpowers in the financial markets, which means that Canada is being increasingly caught in the crosshairs of the two countries. The tariffs on Chinese electric vehicles is just one of many examples. Tensions between China and the United States on the subject of Taiwan is another source of disagreement between the two superpowers. While the Issuer does not believe an invasion is imminent, China will continue to exert pressure on Taiwan through a combination of unprecedented military exercises and economic sanctions. Taiwan's importance is highlighted by the fact that it is by far the leading global producer of advanced microchips (over 90% of the market share).

Closer to home, Canada is also dealing with some tensions. Until recently, India represented an alternative to China as a potential trading partner against a backdrop of persistent tensions with the Middle Kingdom (detention of two Canadians in China and Chinese interference in Canadian elections). However, Ottawa's accusations that the Indian government was involved in the murder of a Canadian citizen have soured relations with India, and the conflict could affect companies that have forged trade links or made investments there. However, the potential for confrontation does not end there, as protectionism is gaining popularity, and a growing number of countries are implementing measures to both financially support domestic businesses in key sectors (high tech, health care, and food) and to protect them against global competition through business restrictions. The combined effects of supply shortages experienced during the COVID-19 pandemic and geopolitical tensions have shifted the focus from efficiency to supply security.

In addition, the combined effect of climate change and armed conflict could lead to massive involuntary migration, which has already risen sharply in recent years. This could have economic and political repercussions, with Europe being particularly vulnerable. Lastly, with rising debt levels and interest rates, some governments could face a dilemma as they try to satisfy public demands to maintain social safety nets and respond to pressure from the financial markets to improve their fiscal balance, causing political tensions in the developed countries. The Issuer will continue to monitor all of these developments, analyze any new risks that arise, and assess the impacts that they may have on the organization.

The Issuer's revenues could be affected by the economic, geopolitical and business conditions prevailing in the countries in which it operates, including as a result of the strength of the economy and inflation, the credit conditions of businesses, financial market and exchange rate fluctuations, monetary policy trends and interest rates. All of these factors affect the business, geopolitical and economic conditions in a given geographic region and, consequently, affect the Issuer's level of business activity and resulting earnings in that region. Although some risks may seem remotely related to the Issuer's business context, strong global economic and financial integration requires a vigilant approach."

- (c) The risk factor entitled "*The Issuer is exposed to international risks which may affect future results*" under the heading: "*1. Factors which are material for the purpose of assessing risks relating to the Issuer – Risks relating to the external political, economic and competitive environments of the Issuer*" is deleted in its entirety and replaced with the following:

"(d) The Issuer is exposed to international risks which may affect future results

Through the operations of some of the Issuer's units (mainly its New York and London offices) and subsidiaries in Canada and abroad (in particular, Credigy Ltd., NBC Global Finance Limited, and Advanced Bank of Asia Limited), the Issuer is exposed to risks arising from its presence in international markets and foreign jurisdictions. While these risks do not affect a significant proportion of the Issuer's portfolios, their impact must not be overlooked, especially those that are of a legal or regulatory nature. International risks can be particularly high in territories where the enforceability of agreements signed by the Issuer is uncertain, in countries and regions facing political or socioeconomic disturbances, or in countries that may be subject to international sanctions.

Generally speaking, there are many ways in which the Issuer may be exposed to the risks posed by other countries, not the least of which being foreign laws and regulations. In all such situations, it is important to consider what is referred to as "country risk." Country risk affects not only the activities that the Issuer carries out abroad but also the business that it conducts with non-resident clients as well as the services it provides to clients doing business abroad, such as electronic funds transfers, international products, and transactions made from Canada in foreign currencies.

As part of its activities, the Issuer must adhere to anti-money laundering and anti-terrorist financing ("AML/ATF") regulatory requirements in effect in each jurisdiction where it conducts business. It must also comply with the requirements pertaining to current international sanctions in these various jurisdictions. AML/ATF risk is a financial, regulatory, and reputation risk. See also the section entitled "*Regulatory Compliance Framework*" on pages 106 to 109 of the Issuer's 2024 Annual Report, which is incorporated by reference in this Prospectus.

The Issuer is exposed to financial risks outside Canada and the United States, primarily through its interbank transactions on international financial markets or through international trade finance activities. This geographic exposure represents a moderate proportion of the Issuer's total risk. To control country risk, the Issuer sets credit concentration limits by country and reviews and submits them to the board of directors of the Issuer for approval upon renewal of the Credit Risk Management Policy. These limits are based on a percentage of the Issuer's regulatory capital, in line with the level of risk represented by each country, particularly emerging countries. The risk is rated using a classification mechanism similar to the one used for credit default risk. In addition to the country limits, authorization caps and limits are established, as a percentage of capital, for the world's high-risk regions, i.e., essentially all regions except for North America, Western European countries and the developed countries of Asia. See also the risk factors under the sub-category entitled "*Legal and Regulatory Risk*" below for further details on risks to the Issuer related to legal and regulatory compliance matters.

As part of its activities, the Issuer must adhere to AML/ATF regulatory requirements in effect in each jurisdiction where it conducts business. It must also comply with the requirements pertaining to current international sanctions in these various jurisdictions. Money laundering and terrorist financing is a financial, regulatory and reputation risk. In order to meet these regulatory requirements, the Issuer has implemented a programme to combat AML/ATF in addition to a programme on international sanctions.

Despite the Issuer's programmes, it is not possible for the Issuer to prevent exposure entirely which could affect its future results. See also the section entitled "*Reputation Risk*" on page 109 of the Issuer's 2024 Annual Report, which is incorporated by reference in this Prospectus."

- (d) The following new Risk Factor is added to the section entitled "*1. Factors which are material for the purpose of assessing risks relating to the Issuer – Risks relating to the external political, economic and competitive environments of the Issuer*" after the Risk Factor entitled: "*Environmental, social and governance (ESG) approach and climate change - Climate Change*"

"(f) Economic risk

Global economic growth remains relatively healthy, but still seems to have slowed down in recent months. Once again, the manufacturing sector is the source of this downturn, as the worldwide demand for goods continued to wane after the post-pandemic rush. Geographically, the eurozone and China are the main areas responsible for the tempered growth. In the single currency zone, the consequences of the invasion of Ukraine by Russia are still felt, especially in Germany, where energy price increases accelerated the erosion of the industrial base and resulted in gross domestic product stagnation and a rise in the unemployment rate. The determination of the central bank to reduce key interest rates is certainly good news, but due to the significant lag in the transmission of the monetary policy, it may be a long time before the actions of the European Central Bank succeed in boosting growth once and for all. China continues to face a painful deleveraging process in the real estate sector that undermines household confidence and could lead to an international reduction in commodities demand. Low inflation, or even negative inflation, is a factor to monitor, not only because it reflects weak domestic demand, but also because a potential entrenchment of deflation could make debt service more challenging in the world's second largest economy.

Even in the United States, where growth remains solid, some risk factors persist, such as the lagged effects of the monetary policy tightening or the regional banks' exposure to commercial real estate. The growing popularity of protectionist policies on both sides of the political aisle is another source of concern, as it may strain further commercial relations with China.

While the economic risks mentioned up to this point are more short-term, there are other risks that are longer term, such as the significant deterioration of the fiscal position of many countries. Many governments became much more indebted during the pandemic and are now facing an interest payment shock as bonds come due. Government financing needs will be considerable in the years to come, with demographic changes, the fight against climate change, and reindustrialization all risking to exacerbate the pressure on public finances. There is reason to believe that investors could demand compensation for financing more fragile governments. This could limit the power of governments to act in the event of economic weakness.

Lastly, climate issues are an added risk in the current context. If too few measures are adopted on the climate front, severe weather events will intensify and result in economic woes over the long term. Conversely, a too-swift transition could result in other risks, particularly short- and medium-term costs and rising pressure on production costs.

In short, given the ongoing uncertainties in this economic environment, the Issuer remains vigilant in the face of numerous factors and will continue to rely on its strong risk management framework to identify, assess, and mitigate the

negative impacts while also remaining within its risk appetite limits. Despite the Issuer's sustained effort, these economic risks may adversely affect the macro-economic and financial market conditions relevant to the Issuer, consequently, negatively impacting the Issuer's business, operating results and financial position."

GENERAL

To the extent that any document or information incorporated by reference in this Supplement, itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Supplement for the purposes of the UK Prospectus Regulation, except where such information or documents are stated within this Supplement as specifically being incorporated by reference or where this Supplement is specifically defined as including such information.

Copies of this Supplement, the Prospectus and the documents incorporated by reference in either can be (i) viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Bank and the headline "Publication of Prospectus"; (ii) viewed on the Bank's website at <https://www.nbc.ca/en/about-us/investors/investor-relations/capital-debt-information/debt/legislative-covered-bonds-program/legislative-covered-bonds.html>; and (iii) obtained without charge from the Bank at 800 Saint-Jacques Street, Montréal, Québec, Canada H3C 1A3, Attention: Investor Relations and the specified office each Paying Agent set out at the end of the Prospectus. No website referred to herein nor any information contained thereon, forms part of this Supplement, nor have the contents of any such website been approved by or submitted to the FCA, unless, in each case, such website or information is expressly incorporated by reference in this Supplement.