

Sustainability Bond Report

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Sustainability at the Bank













Sustainability is an intrinsic part of the National Bank of Canada’s (NBC) strategy, and we consider environmental, social and governance (ESG) matters into our business and operational decisions. As such, we are committed to identifying, understanding and effectively managing the ESG factors that matter to our stakeholders. The nine ESG principles adopted by our Board of Directors demonstrate our commitment to sustainability. They are based on several of the United Nations’ Sustainable Development Goals (SDG).

In 2021, in accordance with the Paris Agreement objectives, the Bank committed to achieving net-zero emissions by 2050 for its operational and financing activities.

In addition, the Bank has developed partnerships over the years with various organizations that share the common goal of contributing to sustainability.

To learn more, consult the Sustainability Report in the [Commitments and impact](#) section at [nbc.ca](#).

Our ESG Principles

ENVIRONMENT	SOCIAL	GOVERNANCE
 <div>We are working to develop a green economy</div>	 <div>We enrich communities</div>	 <div>We govern according to the highest standards</div>
<div>1. We consider the fight against climate change in our economic and community activities.</div> <div>2. We guide and advise our clients in their energy transition.</div> <div>3. We manage and reduce our environmental footprint in all of our business segments.</div>	<div>4. We maximize the potential of individuals and the community.</div> <div>5. We promote inclusion, diversity and equity.</div> <div>6. We foster entrepreneurship, financial literacy, philanthropy and support for health and education.</div>	<div>7. We promote a strong ethics culture, sound governance practices and rigorous risk management.</div> <div>8. We manage according to responsible business practices.</div> <div>9. We ensure the long-term viability of the institution.</div>
<div></div>	<div></div>	<div></div>

Use of Proceeds –

Overview as at October 31, 2024

	Renewable Energy	Sustainable Buildings	Affordable Housing	Access to Basic and Essential Services	TOTAL
Total amount of proceeds allocated to Sustainability Bonds	\$1,391,928,814 [†]	\$445,556,222 [†]	\$717,938,925 [†]	\$308,449,089 [†]	\$2,863,873,050[†]
Total amount of proceeds allocated to Green Bonds ¹	\$137,555,881 [†]	\$44,031,619 [†]	0 [†]	0 [†]	\$181,587,500[†]
Allocation of proceeds	50%	16%	24%	10%	100%
Total amount of unallocated proceeds	\$0	\$0	\$0	\$0	\$0

Total amount of Sustainability and Green Bonds outstanding, in CAD equivalent

\$3,045,460,550[†]

In line with the Bank's commitment to fully allocate proceeds within a period of 18 months, 100% of proceeds from NBC's Sustainability and Green Bonds were allocated to Eligible Assets or businesses at issuance and remain fully allocated as at October 31, 2024. NBC confirms that the Sustainability Bonds' use of proceeds complies with NBC's Sustainability Bond Framework.²

Since 2019, NBC has issued Sustainability Bonds aimed at financing projects that are aligned with United Nations SDGs.

In February 2024, the Bank issued its inaugural Green Bond, with proceeds allocated to financing sustainable buildings and renewable energy projects and businesses.



¹ National Bank of Canada, "Sustainability Bond Framework", published in 2022, available at: <https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/fonds-propres-et-dette/2022/na-sustainability-bond-framework-2022.pdf>

² In the context of NBC's Sustainability Bond Framework, it is NBC's intention to maintain an aggregate amount of assets relating to eligible businesses and eligible projects that is at least equal to the aggregate proceeds of all NBC's Sustainability and Green Bonds that are concurrently outstanding. This methodology, also known as portfolio approach, entails that Eligible Assets can change over time as some of them mature and others are added.

[†] Included within scope of independent limited assurance provided by Deloitte LLP.



Sustainability Bond Framework Overview

NBC's Sustainability and Green Bonds will be allocated to financing or refinancing projects and businesses that credibly contribute to the environmental objectives (climate change mitigation and adaptation, natural resource conservation, biodiversity conservation, and pollution prevention and control) or seek to achieve positive socioeconomic outcomes for target populations. For the purpose of issuing Sustainability and Green Bonds, NBC has developed its Sustainability Bond Framework,¹ initially in 2018 and updated in 2022. The latter has been assessed by way of a second-party opinion by Moody's Investors Service,² which addresses the four core components of the International Capital Markets Association (ICMA) Sustainability Bond Guidelines³ and its recommendations on the use of external reviews and reporting.

Project Selection and Evaluation Process

- › NBC's business unit officers are responsible for identifying and assessing potential eligible projects and businesses that fall within the Eligible Categories in accordance with the criteria detailed in the Sustainability Bond Framework. The eligible projects and businesses that are selected by business lines are reviewed by the ESG Officer Sub-Committee. As part of the assessment leading to the project selection process, risks pertaining to ESG considerations and mitigators are identified, documented and reviewed. The ESG officers will screen existing and future projects and programs that align with NBC's ESG principles.
- › NBC has established a Sustainability Bond Committee (SBC) responsible for the ultimate review of the loans and investments that will qualify as eligible businesses and projects that fall within the Eligible Categories, to which the proceeds of a Sustainability or Green Bond issuance will be allocated. The SBC has the ultimate decision-making authority on project selection and proceeds allocation of NBC's Sustainability Bonds.
- › For loans to small- or medium-sized enterprises (SMEs) located in deprived economic zones, NBC has established a quantitative loan selection methodology by using predefined economic indicators, within a pool of assets supplemented by NBC internal data. Further information can be obtained by consulting the Social Economic Loan Selection Methodology, which will be available on NBC's website prior to the first issuance including this Eligible Category.
- › A sample of eligible businesses and eligible projects included in the Sustainability Bond Register is also reviewed each year to reassess their eligibility. In addition, on an annual basis, all projects and businesses are screened for controversies.

Use of Proceeds

An amount equal to the proceeds of each NBC Sustainability or Green Bond will be used to finance or refinance, in whole or in part, future and existing eligible businesses and eligible projects, including NBC's own operations, that fall within the following Eligible Categories:

1. Renewable Energy
2. Energy Efficiency
3. Pollution Prevention and Control
4. Sustainable Water and Wastewater Management
5. Sustainable Buildings
6. Low-Carbon Transportation
7. Affordable Housing
8. Access to Basic and Essential Services
9. Loans to Small- and Medium-Sized Enterprises

Only Eligible Categories 1 to 6 can receive proceeds from Green Bonds. In contrast, all categories are eligible to receive proceeds from Sustainability Bonds.

1 National Bank of Canada, Sustainability Bond Framework, published in 2022, available at: <https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/fonds-propres-et-dette/2022/na-sustainability-bond-framework-2022.pdf>

2 Moody's 2022 SPO available at: <https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/fonds-propres-et-dette/2022/na-sustainability-bond-second-party-opinion-moodys-2022.pdf>

3 International Capital Markets Association, Sustainability Bond Guidelines, published in June 2021, available at: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Sustainability-Bond-Guidelines-June-2021-140621.pdf>

Sustainability Bond Framework Overview

Management of Proceeds

- › NBC has established a Sustainability Bond Register in relation to the Sustainability and Green Bonds issued by NBC for the purpose of recording the eligible businesses and projects and their allocation of the proceeds from the Sustainability and Green Bonds.
- › The proceeds from the Sustainability and Green Bonds issued by NBC are deposited in the general funding accounts of NBC. An amount equal to the proceeds is then earmarked for allocation in the Sustainability Bond Register in accordance with the Sustainability Bond Framework.
- › It is NBC's intention to maintain an aggregate amount of assets relating to eligible businesses and projects that are at least equal to the aggregate proceeds of all NBC Sustainability and Green Bonds that are concurrently outstanding. This methodology, also known as the portfolio approach, entails that eligible assets can change over time as some of them mature and others are added. NBC aims to fully allocate or reallocate proceeds within a period of 18 months.

Reporting

- › Since the first issuance of the Sustainability Bonds, NBC has published, and has committed to continue publishing, a report on its website. NBC's Sustainability Bond Report is updated every year until complete allocation, and thereafter, as necessary in case of new developments.
- › NBC's Sustainability Bond Report contains at least the following:
 - Confirmation that the use of proceeds of the Sustainability and Green Bonds complies with NBC's Sustainability Bond Framework
 - The amount of proceeds allocated to each Eligible Category
 - One or more examples of eligible businesses and projects financed, in whole or in part, by the proceeds obtained from Sustainability and Green Bonds, including their general details (brief description, location, stage [under construction or operational])
 - The balance of unallocated proceeds
 - Impact reporting items with potential qualitative and quantitative indicators, as described herein

Issuance Summary

(as at Oct. 31, 2024)

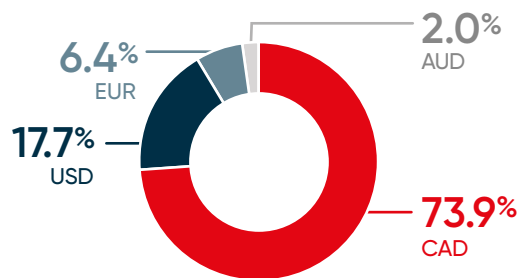
Sustainability and Green Bonds Issued by National Bank of Canada

	Issue Date	Currency	Tenor	Issued Amount (CAD Equivalent)	ISIN
CMS1010 Sustainable Notes	February 20, 2019	EUR	12 years	59,797,000	XS1953930283
CMS1010 Sustainable Notes	April 1, 2019	EUR	15 years	75,375,000	XS1964559576
CMS Steepener Sustainable Notes	May 24, 2019	EUR	15 years	60,432,000	XS1999877043
Callable Fixed Rate Sustainable Notes	March 19, 2020	EUR	20 years	31,142,000	XS2138588319
Callable Fixed Rate Sustainable Notes	February 11, 2021	USD	5 years	63,430,000	US63305LGH06
Fixed Rate Sustainable Notes	June 15, 2021	CAD	5 years	750,000,000	CA63306AGT75
Callable Zero-Coupon Sustainable Notes	October 15, 2021	AUD	15 years	11,017,200	XS2395722510
Callable Zero-Coupon Sustainable Notes	November 17, 2021	AUD	15 years	10,990,800	XS2407006118
Callable Fixed Rate Sustainable Notes	November 17, 2021	USD	5 years	125,950,000	US63305LJP94
Callable Zero-Coupon Sustainable Notes	January 27, 2022	AUD	15 years	11,649,300	XS2434704479
Callable Zero-Coupon Sustainable Notes	March 17, 2022	AUD	15 years	27,957,000	XS2454874012
Callable Fixed Rate Sustainable Notes	May 5, 2022	EUR	20 years	27,000,000	XS2474191520
Callable Fixed Rate Sustainable Notes	May 31, 2022	EUR	8 years	27,122,000	XS2482875197
Fixed Rate Sustainable Notes	November 1, 2022	CAD	3 years	1,000,000,000	CA63306AHK57
CMS Steepener Sustainable Notes	March 6, 2023	EUR	8 years	14,532,000	XS2593669174
CMS Steepener Sustainable Notes	May 17, 2023	EUR	12 years	14,585,000	XS2621748248
Sustainable Notes linked to the Consumer Price Index for the Eurozone	November 14, 2023	EUR	10 years	29,774,000	XS2713907934
Fixed Rate Sustainable Notes	December 7, 2023	CAD	3 years	500,000,000	CA63306AHU30
Callable Fixed Rate Sustainable Notes	January 4, 2024	USD	12 years	6,677,000	XS2730629479
Callable Fixed Rate Sustainable Notes	January 4, 2024	EUR	12 years	7,311,500	XS2730624678
Callable Fixed Rate Green Notes	February 2, 2024	EUR	12 years	181,587,500	XS2755132888
Callable Fixed Rate Sustainable Notes	February 21, 2024	EUR	12 years	9,131,250	XS2767285716
TOTAL				\$3,045,460,550	

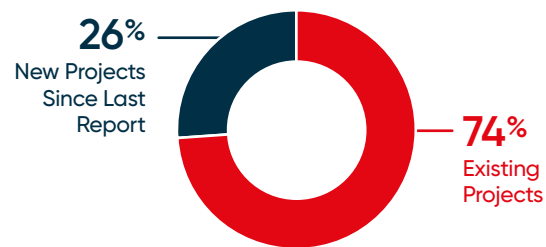
Issuance Summary

(as at Oct. 31, 2024)

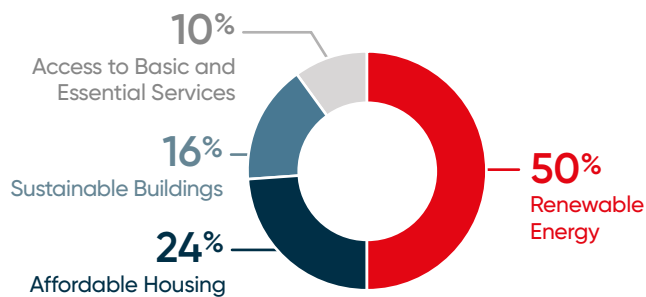
Sustainability and Green Bonds
Distribution by Currency
(as at Oct. 31, 2024)



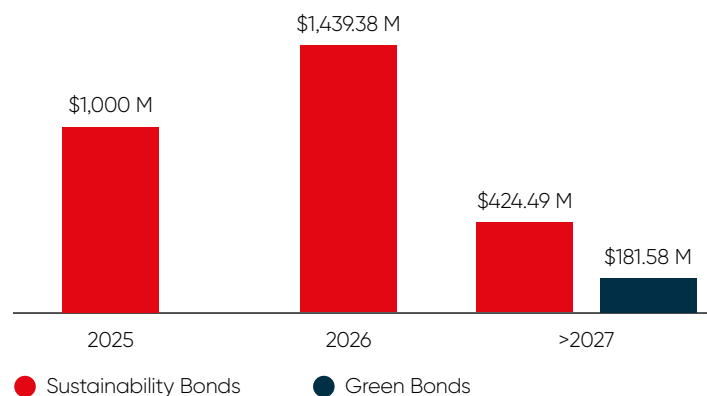
Bond Allocation
(as at Oct. 31, 2024)



Eligible Assets
(as at Oct. 31, 2024)






Sustainability Bonds
Distribution by Maturity
(outstanding in CAD equivalent, as at Oct. 31, 2024)



Use of Proceeds and Impacts

(as at Oct. 31, 2024)








Eligible Categories	UN SDGs	Eligible Asset Type	Portion of Eligible Assets	Impact Indicators ¹
Renewable Energy	 	Wind Solar Small-Scale Hydro	50%	Wind, solar and hydro energy generation: <ul style="list-style-type: none"> › Number of wind farms: 51 › Number of solar farms: 212 › Number of small-scale hydro projects: 1 › Total installed capacity of 1,668 MW › Total annual greenhouse gas (GHG) emissions reduced or avoided: 818,057 tCO₂e
Sustainable Buildings		Green Buildings	16%	Green buildings: <ul style="list-style-type: none"> › Floor space: 2,345,323 sq. ft. › Number of buildings: 8 (3 under construction) › Certification: ZCB performance (1), LEED – Gold (5), LEED – Platinum (1), BOMA Best – Gold (1)

¹ Methodology and sources for Impact Indicators are described in section “Impact Reporting Items Key Assumptions”.

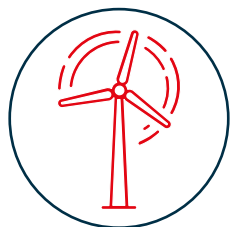
Use of Proceeds and Impacts

(as at Oct. 31, 2024)

Eligible Categories	UN SDGs	Eligible Asset Type	Portion of Eligible Assets	Impact Indicators ¹
Affordable Housing	 	Access to Affordable and Adequate Housing	24%	<p>The affordable and adequate housing projects help offer quality and affordable housing for low- and moderate-income households and for people with special housing needs.</p> <ul style="list-style-type: none"> › Number of buildings: 263 › Number of units: 11,992
Access to Basic and Essential Services	  	Child Care Centres	10%	<p>Services offered by the child care centres provide reduced-contribution spaces to:</p> <ul style="list-style-type: none"> › Number of places – infants: 3,035 › Number of places – total: 21,420 › Number of child care centres: 320 <p>Child care centres must meet certain obligations in terms of children's health, safety, well-being and development.</p>
		Community Welfare		<p>Number of individuals benefiting from a range of services offered to people in need of support: 3,409</p> <ul style="list-style-type: none"> › Foundations: 1
		Education		<p>Education in Canada is for the most part provided publicly and is funded and overseen by provincial, territorial and local governments.</p> <p>Among other responsibilities, school service centres and school boards provide education programs that meet the needs of the school community, including needs for special education.</p> <ul style="list-style-type: none"> › School service centres and school boards: 1 (Number of students: 29,038) (Number of schools: 61) <p>CEGEP is a type of institution unique to Quebec that provides either technical or pre-university attestation or diploma of college studies.</p> <ul style="list-style-type: none"> › CEGEP (1) (Number of students: 1074)

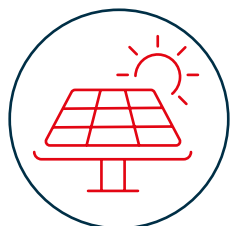
¹ Methodology and sources for Impact Indicators are described in section "Impact Reporting Items Key Assumptions".

Project Examples¹



Renewable Energy: Wind and Solar

NBC acted as a joint lead arranger, joint bookrunner, letter of credit issuer and hedge provider to support Axiom 527 Renewables' financing, supporting a portfolio of approximately 1.4 GW renewable energy in the U.S. The portfolio is spread across 12 states throughout the U.S. and comprises 24 wind and 4 solar facilities, which provides significant geographical, operational and jurisdictional diversity. In addition to the initial financing, NBC also acted as incremental term loan lender for Tranche B loan by supporting Axiom 527 Renewables in the repowering of four of its assets under the portfolio and provided additional financing towards upgrading these assets.



Renewable Energy: Solar

NBC acted as coordinating lead arranger, Lender, LC issuing bank and swap provider in the Wheatcrest Project's \$138.1 million financing in support of the construction and development of its 50 MW solar project located in Alberta. The financing includes the Equity Bridge facility, construction/term loan and letter of credit facilities. The project benefits from the long-term power purchase agreement with the strong creditworthy Offtaker. This facility produces enough clean, renewable energy to power nearly 14,000 homes annually based on the average annual household consumption in Alberta of 7,200 kWh. Wheatcrest Project is backed by BluEarth Renewables, who has a well-diversified portfolio of 780 MWAC (gross) in operation, under construction and contracted pre-construction, and over 7 GW of high-quality development projects that are actively being advanced.



Sustainable Buildings: Green buildings

NBC acted as sole Lender on Carttera's 65 King project, providing a \$156 million term loan for their new office building located in downtown Toronto. This 400,000 sq. ft. building is mainly being used as office space with the ground floor currently being designated for retail purposes. With a walk score of 100, the building is less than 10 minutes away from Union Station, which enables seamless connections to public transit. It holds 196 bicycle parking spaces and in-house amenities such as locker rooms and showers, as well as EV-ready stalls for electric vehicles in the parking facilities, which all lower the impact on commuting. The project was designed to incorporate green sustainability principles such as floor-to-ceiling windows to enable abundant natural lighting, a green roof, and energy and water efficiency solutions. The LEED gold certification was issued on March 22, 2023.

¹ Information from Project Examples is provided and validated by clients.



Impact Reporting Items

Key Assumptions

The impact figures for each eligible project or business, including those presented in the Project Examples, other than the sustainable buildings category, were collected from publicly available sources and are presented on an aggregate basis to protect the confidentiality of NBC's clients. Sustainable building impact figures were obtained by the credit agreement signed by clients and are presented on an aggregated basis.

Allocation of proceeds is determined based on the proportion of Eligible Assets in each category relative to the total Sustainable Asset Portfolio. Proceeds from Sustainability and Green Bonds are allocated exclusively to their respective Sustainable and Green Eligible Categories, following which the allocation within the Sustainability Bond Portfolio is adjusted to reflect the overall distribution of proceeds. Other than for sustainable buildings, when no publicly available information is found for any given eligible project or business, the impact reported for this project or business is null.

If the portfolio of eligible projects and businesses is larger than the amount of proceeds collected from the issuance of NBC's Sustainability and Green Bonds, the impact data is aggregated for the entire portfolio of projects and businesses and then reported on a pro-rata basis.

All figures are in CAD unless otherwise indicated.

Important Notice and Caution Regarding Forward-Looking Statements

The information included in this report is current only as at its date and may have changed since such date or could change in the future without prior notice or update. NBC does not assume any responsibility or obligation to update or revise any statements in this document, regardless of whether those statements are affected by the results of new information, future events or otherwise. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained herein. No liability whatsoever is or will be accepted by NBC for any loss or damage howsoever arising out of or in connection with the use of, or reliance upon, the information contained in this document.

The information included in this report is for information purposes only. Nothing in this document shall constitute, or form part of, an offer to sell or solicitation of an offer to buy or subscribe for any security or other instrument of NBC or any of its affiliates, or as an invitation, recommendation or inducement to enter into any investment activity, and no part of this document shall form the basis of or be relied upon in connection with any contract, commitment, or investment decision whatsoever. Offers to sell, sales, solicitation of offers to buy or purchases of securities issued by NBC or any affiliate thereof may only be made or entered into pursuant to appropriate offering materials prepared and distributed in accordance with the laws, regulations, rules and market practices of the jurisdictions in which such offers, solicitations or sales may be made. Professional advice should be sought prior to any decision to invest in securities. This material is not intended for distribution to, or use by, any person or entity in any jurisdiction where such distribution or use would be contrary to law or regulation.

This report and the information contained within it is unaudited. Deloitte LLP ("Deloitte") has performed a limited assurance engagement for a select number of NBC key performance indicators, which have been identified with an † symbol throughout this report. Other than these select number of identified NBC key performance indicators, the remainder of the information contained within this report was not subject to the limited assurance engagement. You can read more about the scope of Deloitte's work on page 13 of this report.

Certain statements in this document are forward-looking statements. All such statements are made in accordance with applicable securities legislation in Canada and the United States. The forward-looking statements in this document may include, but are not limited to, statements with respect to the allocation of NBC's Sustainability and Green Bonds proceeds, project examples and the estimated impacts associated with outstanding NBC's Sustainability and Green Bonds, as well as NBC's of environmental, social and governance strategy, targets and commitments, and actions that will be taken to achieve them, including its climate strategy and all the objectives related to its efforts toward transitioning to a low-carbon economy and the way to support its clients in this transition, and the regulatory environment in which it operates. . These forward-looking statements are typically identified by verbs or words such as "outlook", "believe", "foresee", "forecast", "anticipate", "estimate", "project", "expect", "intend" and "plan", in their future or conditional forms, notably verbs such as "will", "may", "should", "could" or "would" as well as similar terms and expressions.

Such forward-looking statements are made for the purpose of assisting the holders of the Bank's securities in understanding the Bank's vision, strategy, targets and objectives related to environmental, social and governance matters, in particular with respect to the NBC's 2022 Sustainability Bond Framework, and may not be appropriate for other purposes. These forward-looking statements are based on current expectations, estimates, assumptions and intentions believed by the Bank to be reasonable as at the date thereof and are subject to uncertainty and inherent risks, many of which are beyond the Bank's control. There is a strong possibility that the Bank's express or implied predictions, forecasts, projections, expectations, or conclusions will not prove to be accurate, that its assumptions may not be confirmed and that its vision, strategic objectives, and performance targets will not be achieved. The Bank cautions investors that these forward-looking statements are not guarantees of future performance and that actual events or results may differ significantly from these statements due to a number of factors. Thus, the Bank recommends that readers not place undue reliance on these forward-looking statements, as a number of factors could cause actual results to differ significantly from the expectations, estimates, or intentions expressed in these forward-looking statements. Investors and others who rely on the Bank's forward-looking statements should carefully consider the factors listed below as well as the uncertainties they represent and the risk they entail. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time, by it or on its behalf.

These forward-looking statements made in this document are based on a number of assumptions and their future outcome is subject to a variety of risk factors, many of which are beyond the Bank's control and the impacts of which are difficult to predict. These risk factors include, among others, difficulty identifying assets that are Eligible Assets or Businesses, and the risk that Eligible Assets or Businesses will be completed within any specified period or at all or with the results or outcome as originally expected or anticipated by NBC, the Bank's reliance on third parties to obtain data and impact indicators for eligible assets; the availability of comprehensive and high-quality data from customers and other third parties, including greenhouse gas emission; climate change, including physical risks and those related to the transition to a low-carbon economy; the Bank's ability to satisfy stakeholder expectations on environmental and social issues; the need for active and continued participation of stakeholders; the ability of the Bank to develop indicators to effectively monitor our advancements; the development and deployment of new technologies and sustainable products; measures affecting commercial relations between Canada and its partners, including the imposition of tariffs and the measures taken in response, as well as the possible impacts on our customers, our operations, and more generally, on the economy; the ability of the Bank to identify climate-related opportunities as well as assess and manage climate-related risks; the general economic environment and financial market conditions in Canada, the United States, and other countries where the Bank operates; regulatory oversight and changes made to regulations that affect the Bank's business; geopolitical and sociopolitical uncertainty; the Bank's ability to achieve its long-term strategies and key short-term priorities; the Bank's ability to recruit and retain key personnel; and possible impacts of major events affecting the economy, market conditions, or the Bank's outlook, including international conflicts, natural disasters, public health crises, and the measures taken in response to these events; and the Bank's ability to anticipate and successfully manage risks arising from all of the foregoing factors.

In addition, the assumptions, the data, metrics, measurements, methodologies, frameworks, scenarios, and other standards used to develop our assumptions and estimates and to monitor our advances, believed to be reasonable at the time of preparation of this report, may subsequently turn out to be inaccurate. Many of these assumptions, data, metrics, measurements, methodologies, frameworks, scenarios, and other standards, as well as the terminology used by the Bank to define certain concepts, continue to evolve and may differ significantly from those used by others, those that may be used by us in the future or that may be subsequently mandated by government authorities or other standard setters. Such evolution and changes could affect the assumptions and estimates used by us and could affect the comparability of the information and data across industries or companies and from one reporting period to a subsequent reporting period, as well as our ability to achieve our objectives, priorities, strategies, sustainability commitments and targets.

The foregoing list of risk factors is not exhaustive, and the forward-looking statements made in this document are also subject to credit risk, market risk, liquidity and funding risk, operational risk, regulatory compliance risk, reputation risk, strategic risk, and social and environmental risk as well as certain emerging risks or risks deemed significant. Additional information about these risk factors is provided in the Risk Management section of the 2024 Annual Report and may be updated in the quarterly shareholder's reports subsequently published.

1 National Bank of Canada, "Sustainability Bond Framework", published in 2022, available at:

<https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relation-investisseurs/fonds-progres-et-dette/2022/na-sustainability-bond-framework-2022.pdf>

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Independent Practitioner's Limited Assurance Report

To The Board of Directors of National Bank of Canada

We have undertaken a limited assurance engagement of management's assertion, included on page 4 of the 2024 Sustainability Bond Report (the "Report") of National Bank of Canada (the "Bank"), that proceeds from the issuances of sustainability bonds listed on page 7 of the Report were disbursed for the financing and/or refinancing of eligible assets or businesses (the "Subject Matter Information") as of October 31, 2024 ("Management's Assertion").

Management's Responsibility

Management is responsible for the preparation of the Subject Matter Information in accordance with the Bank's 2022 Sustainability Bond Framework (the "Framework") and the preparation of Management's Assertion. Management is also responsible for selecting the Framework used and for such internal control as management determines necessary to enable the preparation of the Subject Matter Information and Management's Assertion that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with *International Standard on Assurance Engagements (ISAE) 3000, Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether Management's Assertion is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical and other procedures) and evaluating the evidence obtained. The procedures also include assessing the suitability in the circumstances of the Bank's use of the Framework as the basis for the preparation of the Subject Matter Information. The procedures are selected based on our professional judgment which includes identifying areas where the risks of material misstatement of the Subject Matter Information are likely to arise, whether due to fraud or error.

Our engagement included the following procedures, among others:

- Making enquiries of the Bank's management, including those with responsibility for the Sustainability Bonds governance, management and reporting;
- Obtaining an understanding of the design of key structures, systems, processes and controls for managing, recording and reporting the Subject Matter Information;

- For a limited sample, reconciling the disbursed amounts to the accounting records and validating the eligibility of the asset or business in the context of the Framework; and
- Considering material inconsistencies between the disclosure and presentation of the Subject Matter Information in the Report and the underlying work completed.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with the *International Standards on Assurance Engagements*. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Framework.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Management's Assertion that, as of October 31, 2024, the proceeds from the issuances of Sustainability Bonds listed on page 7 of the Report were disbursed for the financing and/or refinancing of eligible assets or businesses in accordance with the Framework, is not fairly stated, in all material respects.

Specific Purpose of Management's Assertion

Management's Assertion has been prepared to assist the Bank in determining whether the proceeds from the issuances of Sustainability Bonds listed on page 7 of the Report were disbursed for the financing and/or refinancing of eligible assets or businesses in accordance with the Framework. As a result, Management's Assertion may not be suitable for another purpose.

Deloitte LLP

Montréal, Québec
March 28, 2025

¹ CPA auditor, public accountancy permit No. A121501