

# Mandate of the Chair of the Board of Directors

The Chair of the Board of Directors (the "Board") of National Bank of Canada (the "Bank") leads the Board.

In carrying out his role and responsibilities, the Chair of the Board:

- Encourages frank and honest discussions on all the core questions submitted to the Board.
- Promotes a trusting and open atmosphere.
- Maintains the Board's cohesion and ensures that there is a common understanding of the Bank's purpose and One Mission without sacrificing diversity of opinion and objectivity.
- Encourages ongoing formal and informal communication with and among the directors and gives directors feedback.
- Facilitates decision-making and encourages frank and constructive debate among the members.

## 1. Board management

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### 1.1. Board activities

- The Chair of the Board chairs the meetings of the Board.
- He participates as a guest at the meetings of the committees he does not sit on and ensures that a report on the meeting is made to the Board.
- He plans Board activities, in collaboration with the President and Chief Executive Officer and the Corporate Secretary, particularly with regards to:
  - The frequency, structure, calendar and agendas of meetings, and activities of the Board
  - The quality and quantity of information intended for the Board
- He coordinates the ongoing training activities of the Directors and stays up to date with new trends and development opportunities so that the Board can be a key player in transforming, innovating, and creating value for the Bank, its shareholders, clients, employees and the communities it serves.
- He ensures that enough time is allocated in the agenda of Board meetings to efficiently discuss the items presented as well as address questions and concerns.
- He may retain the services of independent external consultants to assist the Board in carrying out its duties and responsibilities. He establishes the terms and sets their compensation.

## 1.2. Governance

- The Chair promotes adherence to the highest standards of corporate governance and ensures the Board's practices comply with regulatory requirements, as well as with the Bank's objectives and strategy, particularly with regards to environmental, social and governance (ESG) responsibilities.
- He sees to the adoption of exemplary governance practices based on the principles of integrity, independence, and transparency.
- He makes sure that at all times, he remains independent and impartial, and avoids any real or potential conflicts of interest, and takes care to maintain at all times, the appearance of independence and impartiality with regard to himself and the Board in general.
- He ensures that the Board and its committees carry out their responsibilities effectively and independently while maintaining the highest standards of integrity and ethics.
- He leads the Board in overseeing the Management's strategy and progress towards achieving the Bank's strategic objectives.

## 2. Board assessment and efficiency

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- The Chair of the Board oversees, together with the Conduct Review and Corporate Governance Committee, the periodic review of the performance and effectiveness of the Board, its chair, its committees, and their chairs as well as the assessment and self-assessment of the directors.
- He meets with the directors to discuss the results of the Board assessment, their self-assessment and the results of the assessment by their peers.
- He sets the Board's annual goals and establishes an action plan to correct any issues and implement the improvements raised during the review of Board performance and effectiveness.

## 3. Board composition and succession

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- The Chair of the Board, with the support of the Conduct Review and Corporate Governance Committee, identifies potential candidates for director positions.
- He communicates with potential candidates for board directorships following its discussions with the Conduct Review and Corporate Governance Committee.
- He ensures that an onboarding and orientation program for directors is in place.
- He continuously reviews the personal and professional changes of directors that are brought to his attention.
- He reviews the composition of the Board committees annually with the support of the Conduct Review and Corporate Governance Committee.

## **4. Management relations**

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- The Chair of the Board represents the Board in ongoing communication with the Chief Executive Officer and other members of Senior Management.
- More specifically, the Chair acts as an advisor to the President and Chief Executive Officer for all important matters, particularly those relating to business strategy and operations.
- He participates in frequent exchanges with the Corporate Secretary on issues related to Board governance or other matters.
- In cooperation with the President and Chief Executive Officer and the other members of Senior Management, he oversees the proper running of the strategic planning meeting and ensures that the strategies, plans and results are properly presented to the Board.
- With the Human Resources Committee, he sets targets and performance objectives for the President and Chief Executive Officer and the other members of the Senior Leadership Team and annually appraises the performance of the President and Chief Executive Officer.
- Together with the Human Resources Committee, he oversees the implementation and review of the succession plans for the President and Chief Executive Officer and other members of Senior Management.

## **5. Stakeholder relations**

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- The Chair of the Board chairs all annual or extraordinary meetings of shareholders.
- He answers questions from shareholders or any other person on matters related to the Board and governance.
- He ensures that the Board has established channels for dialogue with stakeholders.
- He represents the Board in meetings with representatives of regulatory or self-regulatory organizations and ensures that relations with them are maintained.