



Supplementary Financial Information

Second Quarter 2023

(unaudited)

For more information:

Marie Chantal Gingras, Chief Financial Officer and Executive Vice-President Finance, Tel: 514-412-2634

Linda Boulanger, Senior Vice-President Investor Relations, Tel: 514 394-0296

This document is available via the Bank's website: nbc.ca

Notes to users

- 1) The quantitative information in this document has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), unless otherwise indicated, and should be read in conjunction with the Report to Shareholders for all quarters of 2023. This supplementary financial information (SFI) is unaudited and should be read in conjunction with the 2022 Annual Report (including audited consolidated financial statements and accompanying management's discussion and analysis). Additional financial information is also available through our quarterly investor presentations as well as the quarterly conference call webcast. All amounts are in millions of Canadian dollars, unless otherwise indicated.
- 2) Information related to regulatory capital as well as Pillar 3 and risk disclosures required by the Enhanced Disclosure Task Force (EDTF) is provided in the document entitled *Supplementary Regulatory Capital and Pillar 3 Disclosure*, which is available on the Bank's website at nbc.ca.

- 3) **Non-GAAP Financial Measures and Other Financial Measures**

The Bank uses non-GAAP financial measures that do not have standardized meanings under GAAP and that therefore may not be comparable to similar measures used by other companies. Presenting non-GAAP financial measures helps readers to better understand how management analyzes results, shows the impacts of specified items on the results of the reported periods, and allows readers to assess results without the specified items if they consider such items not to be reflective of the underlying performance of the Bank's operations. In addition, like many other financial institutions, the Bank uses the taxable equivalent basis to calculate net interest income, non-interest income, and income taxes. This calculation method consists of grossing up certain tax-exempt income (particularly dividends) by the income tax that would have been otherwise payable. An equivalent amount is added to income taxes. This adjustment is necessary in order to perform a uniform comparison of the return on different assets regardless of their tax treatment. For additional information on non-GAAP financial measures, see pages 12 and 13 in this document and the Financial Reporting Method section on pages 4 to 9 of the Management's Discussion and Analysis (MD&A) in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

Other Financial Measures

For additional information on the composition of non-GAAP ratios and supplementary financial measures, as well as on capital management measures, see the Financial Reporting Method and Glossary sections on pages 4 to 9 and 49 to 52, respectively, of the MD&A in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

- 4) For the comparative figures, certain amounts have been revised from those previously reported in order to be consistent with the presentation adopted by the Bank for the year beginning November 1, 2022.
 - The Bank reviewed its method for the sectoral allocation of technology investment expenses. Certain expenses incurred for projects, in particular expenses incurred during the research phase, were previously recorded in the *Other* heading of segment results. As of November 1, 2022, all expenses recorded to results for technology projects are immediately allocated to the various business segments that will receive the benefits therefrom.

This review is consistent with the accounting policy change applied in fiscal 2022 related to the costs of configuring or customizing a supplier's software in a cloud computing arrangement.

The changes were applied between the segments and had no impact on consolidated results.

Table of Contents

Highlights	page 4
Shareholders' Information	page 5
Detailed Information on Income	page 6
Results of Operations – Adjusted as a % of Average Assets; Selected B/S items; AUA & AUM	page 7
Segment Disclosures	pages 8-10
U.S. Specialty Finance and International - Detailed Information	page 11
Reconciliation of Non-GAAP Financial Measures	page 12
Specified Items	page 13
Total Revenues – Adjusted	page 14
Non-interest Expenses – Adjusted	page 15
Consolidated Balance Sheets	page 16
Consolidated Statements of Changes in Equity	page 17
Consolidated Statements of Comprehensive Income	page 18
Credit Information	
Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses by Borrower Category	pages 19-20
Residential Mortgages Portfolio Information	pages 21-22
Geographic Distribution of Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses	page 23
Impaired Loans by Business Segment	page 24
Formation of Gross Impaired Loans	page 25
Reconciliation of Allowance for Credit Losses	page 26
Provisions for Credit Losses	page 27
Derivatives Financial Instruments According to Basel Definition	page 28
Over the Counter Derivatives Financial Instruments Settled by Central Counterparties	page 29
Regulatory Capital and Pillar 3 Disclosure	
Composition of Regulatory Capital	pages 30-32
Summary Comparison of Accounting Assets vs Leverage Ratio Exposure Measure	page 33
Leverage Ratio Common Disclosure Template	page 34

This report is unaudited

Highlights

(millions of Canadian dollars, except per share amounts)

	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Net income	847	881	738	826	889	930	769	833	788	750	1,728	1,819	3,383	3,140
Earnings per share														
- Basic	2.41	2.51	2.10	2.38	2.56	2.67	2.20	2.38	2.24	2.13	4.92	5.24	9.72	8.95
- Diluted	2.38	2.49	2.08	2.35	2.53	2.64	2.17	2.35	2.21	2.12	4.87	5.17	9.61	8.85
Return on common shareholders' equity ⁽¹⁾	17.5%	17.9%	15.3%	17.9%	20.7%	21.9%	18.7%	21.4%	21.8%	21.1%	17.7%	21.3%	18.8%	20.7%
Operating Results – Adjusted⁽²⁾														
Net income – Adjusted ⁽²⁾	847	905	738	826	889	930	776	833	788	750	1,752	1,819	3,383	3,147
Earnings per share – Adjusted ⁽²⁾														
- Basic	2.41	2.58	2.10	2.38	2.56	2.67	2.22	2.38	2.24	2.13	4.99	5.24	9.72	8.97
- Diluted	2.38	2.56	2.08	2.35	2.53	2.64	2.19	2.35	2.21	2.12	4.94	5.17	9.61	8.87
Return on common shareholders' equity – Adjusted ⁽³⁾	17.5%	18.4%	15.3%	17.9%	20.7%	21.9%	18.9%	21.4%	21.8%	21.1%	17.9%	21.3%	18.8%	20.7%
Operating leverage ⁽¹⁾ – Adjusted ⁽³⁾	(1.0)%	(2.4)%	1.0 %	1.4%	2.5%	3.7%	(1.1)%	2.2%	1.6%	4.6%	(1.7)%	3.0 %	2.1%	1.9%
Efficiency ratio ⁽¹⁾ – Adjusted ⁽³⁾	52.6%	51.7%	55.4%	52.5%	52.1%	50.6%	55.9%	53.2%	53.3%	52.3%	52.2%	51.4%	52.6%	53.7%
Effective tax rate – Adjusted ⁽³⁾	26.5%	26.0%	25.9%	26.4%	25.2%	25.7%	25.0%	25.6%	25.7%	25.4%	26.2%	25.5%	25.8%	25.4%
Total assets	417,684	418,342	403,740	386,833	369,570	366,680	355,621	353,873	350,581	343,489	417,684	369,570	403,740	355,621
Average loans and acceptances ⁽⁴⁾	213,650	209,699	203,973	197,650	189,831	185,757	180,631	174,252	168,700	165,588	211,642	187,760	194,340	172,323
Average assets ⁽⁴⁾	421,215	424,946	409,821	391,966	384,626	388,672	371,588	363,584	360,793	357,972	423,111	386,683	393,847	363,506
Average common shareholders' equity ⁽⁴⁾	19,105	18,722	18,408	17,788	17,116	16,381	15,720	14,900	14,196	13,505	18,921	16,738	17,392	14,581
Number of common shares outstanding (<i>thousands</i>)	337,720	337,318	336,582	336,456	336,513	338,367	337,912	337,587	337,372	336,770	337,720	336,513	336,582	337,912
Weighted average basic number of common shares outstanding (<i>thousands</i>)	337,497	336,993	336,530	336,437	337,381	338,056	337,779	337,517	337,142	336,408	337,241	337,724	337,099	337,212
Weighted average diluted number of common shares outstanding (<i>thousands</i>)	340,971	340,443	339,910	339,875	341,418	342,318	342,400	341,818	340,614	338,617	340,625	341,850	340,837	340,861
Gross impaired loans excluding the purchased or originated credit-impaired (POCI) loans ⁽¹⁾	814	793	812	615	611	608	662	699	731	757	814	611	812	662
Gross impaired loans excluding POCI loans as a % of total loans and acceptances ⁽¹⁾	0.38%	0.38%	0.39%	0.30%	0.31%	0.32%	0.36%	0.39%	0.42%	0.45%	0.38%	0.31%	0.39%	0.36%
Provisions for credit losses on impaired loans excluding POCI loans as a % of average loans and acceptances ⁽¹⁾	0.10%	0.04%	0.13%	0.03%	0.06%	0.05%	0.04%	0.08%	0.16%	0.15%	0.07%	0.05%	0.07%	0.11%
Provisions for credit losses as a % of average loans and acceptances ⁽¹⁾	0.16%	0.16%	0.17%	0.11%	0.01%	0.00%	(0.09)%	(0.10)%	0.01%	0.19%	0.16%	0.00%	0.07%	0.00%
Net charge-off as a % of average loans and acceptances ⁽¹⁾	0.07%	0.06%	0.11%	0.04%	0.06%	0.18%	0.06%	0.06%	0.09%	0.13%	0.06%	0.12%	0.10%	0.09%
Dividends declared per common share	0.97	0.97	0.92	0.92	0.87	0.87	0.71	0.71	0.71	0.71	1.94	1.74	3.58	2.84
Dividend payout ratio ⁽¹⁾ – Adjusted (trailing 4 quarters) ⁽³⁾	39.9%	38.3%	36.8%	34.3%	32.1%	31.5%	31.7%	33.7%	37.0%	44.4%	39.9%	32.1%	36.8%	31.7%
Book value per common share ⁽¹⁾	57.65	55.92	55.24	54.29	52.28	49.71	47.44	45.51	43.11	41.04	57.65	52.28	55.24	47.44
Share price - High	103.45	99.95	94.37	97.87	104.59	105.44	104.32	96.97	89.42	73.81	103.45	105.44	105.44	104.32
Share price - Low	92.67	91.02	83.12	83.33	89.33	94.37	95.00	89.47	72.30	65.54	91.02	89.33	83.12	65.54
Share price - Close	101.03	99.95	92.76	89.85	89.72	101.70	102.46	95.49	89.36	71.87	101.03	89.72	92.76	102.46
Number of registered shareholders	20,024	20,079	20,113	20,145	20,243	20,301	20,375	20,454	20,518	20,610	20,024	20,243	20,113	20,375
Capital ratios under Basel III ⁽⁵⁾⁽⁶⁾														
Common Equity Tier 1 (CET1) ⁽⁶⁾	13.3%	12.6%	12.7%	12.8%	12.9%	12.7%	12.4%	12.2%	12.2%	11.9%	13.3%	12.9%	12.7%	12.4%
Tier 1 ⁽⁶⁾⁽⁷⁾	16.0%	15.2%	15.4%	15.2%	15.3%	15.2%	15.0%	14.8%	15.2%	14.9%	16.0%	15.3%	15.4%	15.0%
Total ⁽⁶⁾⁽⁷⁾⁽⁸⁾	16.9%	16.0%	16.9%	16.8%	16.2%	16.1%	15.9%	15.8%	16.4%	16.0%	16.9%	16.2%	16.9%	15.9%
Leverage ratio under Basel III ⁽⁵⁾⁽⁶⁾	4.2%	4.5%	4.5%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.3%	4.2%	4.4%	4.5%	4.4%
TLAC ratio ⁽⁶⁾	29.3%	28.7%	27.7%	28.3%	27.8%	27.8%	26.3%	25.9%	25.9%	25.3%	29.3%	27.8%	27.7%	26.3%
TLAC leverage ratio ⁽⁶⁾	7.8%	8.5%	8.1%	8.2%	8.0%	8.0%	7.8%	7.8%	7.5%	7.4%	7.8%	8.0%	8.1%	7.8%
Liquidity coverage ratio (LCR) ⁽⁶⁾	155%	151%	140%	148%	145%	149%	154%	154%	150%	154%	155%	145%	140%	154%
Net stable funding ratio (NSFR) ⁽⁶⁾	118%	121%	117%	119%	114%	117%	117%	123%	125%	124%	118%	114%	117%	117%

(1) For details on the composition of these measures, see the Glossary section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) For additional information on non-GAAP financial measures, see pages 12 and 13 in this document and the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(3) For additional information on non-GAAP ratios, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(4) Represents an average of the daily balances for the period.

(5) Since the Second Quarter of 2023, the ratios take into account the implementation of the Basel III reforms requirements. For the quarters of fiscal 2022 and 2021, the ratios include the transitional measure for provisioning expected credit losses granted by OSFI. This transitional measure ceased to apply on November 1, 2022.

(6) For additional information on capital management measures, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(7) Ratios as at July 31, 2021 include the redemption of the Series 36 preferred shares on August 15, 2021 and ratios as at April 30, 2021 include the redemption of the Series 34 preferred shares on May 15, 2021.

(8) Ratio as at January 31, 2023 includes the redemption of medium-term notes on February 1, 2023.

Shareholders' Information

Credit Rating - Long-term senior debt	2023		2022				2021			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Non bail-inable										
Moody's	Aa3									
Standard & Poor's	A	A	A	A	A	A	A	A	A	A
DBRS	AA	AA	AA	AA	AA	AA (Low)				
Fitch	AA-									
Bail-in										
Moody's	A3									
Standard & Poor's	BBB+									
DBRS	AA (Low)	A (high)								
Fitch	A+									
Valuation										
Market Capitalization (millions of Canadian dollars)	34,120	33,715	31,221	30,231	30,192	34,412	34,622	32,236	30,148	24,204
P/E Ratio (trailing 4 quarters)	10.86	10.78	9.66	9.27	9.26	10.85	11.58	11.91	12.27	11.92
Share price/Book value	1.75	1.79	1.68	1.66	1.72	2.05	2.16	2.10	2.07	1.75
Dividend yield (annualized)	3.74%	3.68%	3.86%	3.75%	3.52%	3.42%	2.77%	2.97%	3.18%	3.95%
Other Information										
Number of employees (full-time equivalent)										
Canada	18,934	19,048	18,930	18,781	18,299	18,100	17,398	17,281	17,054	17,186
Outside of Canada	9,236	8,626	8,173	7,758	7,524	7,317	7,097	6,793	6,811	6,699
	28,170	27,674	27,103	26,539	25,823	25,417	24,495	24,074	23,865	23,885
Number of branches										
Canada	374	378	378	384	385	385	384	389	401	402
Cambodia (ABA Bank)	85	85	81	81	81	81	79	79	79	79
Number of banking machines										
Canada	940	942	939	934	937	937	927	929	929	935
Cambodia (ABA Bank)	1,232	1,124	1,024	953	898	853	786	740	715	683

Detailed Information on Income

(millions of Canadian dollars)

Consolidated Results	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Net interest income	882	1,099	1,207	1,419	1,313	1,332	1,190	1,230	1,156	1,207	1,981	2,645	5,271	4,783
Non-interest income	1,597	1,483	1,127	994	1,126	1,134	1,021	1,024	1,082	1,017	3,080	2,260	4,381	4,144
Total revenues	2,479	2,582	2,334	2,413	2,439	2,466	2,211	2,254	2,238	2,224	5,061	4,905	9,652	8,927
Non-interest expenses	1,374	1,403	1,346	1,305	1,299	1,280	1,268	1,224	1,217	1,194	2,777	2,579	5,230	4,903
Income before provisions for credit losses and income taxes	1,105	1,179	988	1,108	1,140	1,186	943	1,030	1,021	1,030	2,284	2,326	4,422	4,024
Provisions for credit losses	85	86	87	57	3	(2)	(41)	(43)	5	81	171	1	145	2
Income before income taxes	1,020	1,093	901	1,051	1,137	1,188	984	1,073	1,016	949	2,113	2,325	4,277	4,022
Income taxes	173	212	163	225	248	258	215	240	228	199	385	506	894	882
Net income	847	881	738	826	889	930	769	833	788	750	1,728	1,819	3,383	3,140
Non-controlling interests	(1)	-	-	-	(1)	-	-	-	-	-	(1)	(1)	(1)	-
Net income attributable to the Bank's shareholders and holders of other equity instruments	848	881	738	826	890	930	769	833	788	750	1,729	1,820	3,384	3,140
Dividends on preferred shares and distributions on other equity instruments	35	35	30	26	25	26	26	31	33	33	70	51	107	123
Net income attributable to common shareholders	813	846	708	800	865	904	743	802	755	717	1,659	1,769	3,277	3,017
Effective tax rate	17.0%	19.4%	18.1%	21.4%	21.8%	21.7%	21.8%	22.4%	22.4%	21.0%	18.2%	21.8%	20.9%	21.9%
Dividends on common shares	328	327	309	310	293	294	240	239	240	239	655	587	1,206	958
Number of common shares (Average-Diluted) (<i>thousands</i>)	340,971	340,443	339,910	339,875	341,418	342,318	342,400	341,818	340,614	338,617	340,625	341,850	340,837	340,861
Diluted earnings per share	2.38	2.49	2.08	2.35	2.53	2.64	2.17	2.35	2.21	2.12	4.87	5.17	9.61	8.85

Operating Results – Adjusted ⁽¹⁾														
Net interest income – Adjusted	958	1,177	1,272	1,479	1,362	1,392	1,229	1,276	1,198	1,261	2,135	2,754	5,505	4,964
Non-interest income – Adjusted	1,653	1,535	1,157	1,005	1,129	1,138	1,023	1,025	1,084	1,020	3,188	2,267	4,429	4,152
Total revenues – Adjusted	2,611	2,712	2,429	2,484	2,491	2,530	2,252	2,301	2,282	2,281	5,323	5,021	9,934	9,116
Non-interest expenses – Adjusted	1,374	1,403	1,346	1,305	1,299	1,280	1,259	1,224	1,217	1,194	2,777	2,579	5,230	4,894
Income before provisions for credit losses and income taxes – Adjusted	1,237	1,309	1,083	1,179	1,192	1,250	993	1,077	1,065	1,087	2,546	2,442	4,704	4,222
Provisions for credit losses	85	86	87	57	3	(2)	(41)	(43)	5	81	171	1	145	2
Income before income taxes – Adjusted	1,152	1,223	996	1,122	1,189	1,252	1,034	1,120	1,060	1,006	2,375	2,441	4,559	4,220
Income taxes – Adjusted	305	318	258	296	300	322	258	287	272	256	623	622	1,176	1,073
Net income – Adjusted	847	905	738	826	889	930	776	833	788	750	1,752	1,819	3,383	3,147
Non-controlling interests – Adjusted	(1)	-	-	-	(1)	-	-	-	-	-	(1)	(1)	(1)	-
Net income attributable to the Bank's shareholders and holders of other equity instruments – Adjusted	848	905	738	826	890	930	776	833	788	750	1,753	1,820	3,384	3,147
Dividends on preferred shares and distributions on other equity instruments	35	35	30	26	25	26	26	31	33	33	70	51	107	123
Net income attributable to common shareholders – Adjusted	813	870	708	800	865	904	750	802	755	717	1,683	1,769	3,277	3,024
Effective tax rate – Adjusted	26.5%	26.0%	25.9%	26.4%	25.2%	25.7%	25.0%	25.6%	25.7%	25.4%	26.2%	25.5%	25.8%	25.4%
Diluted earnings per share – Adjusted	2.38	2.56	2.08	2.35	2.53	2.64	2.19	2.35	2.21	2.12	4.94	5.17	9.61	8.87

Taxable Equivalent Basis ⁽¹⁾														
Net interest income	76	78	65	60	49	60	39	46	42	54	154	109	234	181
Non-interest income	56	52	30	11	3	4	2	1	2	3	108	7	48	8
Income taxes	132	130	95	71	52	64	41	47	44	57	262	116	282	189

(1) For additional information on non-GAAP financial measures, see pages 12 and 13 in this document and the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

Results of Operations – Adjusted as a % of Average Assets; Selected B/S items; AUA & AUM

(millions of Canadian dollars, except results of operations as a % of average assets)

As a % of Average Assets ⁽¹⁾	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Total revenues – Adjusted	2.54	2.53	2.35	2.51	2.66	2.58	2.40	2.51	2.59	2.53	2.53	2.62	2.52	2.51
Non-interest expenses – Adjusted	1.34	1.31	1.30	1.32	1.39	1.31	1.34	1.34	1.38	1.32	1.32	1.35	1.33	1.35
Provisions for credit losses	0.08	0.08	0.08	0.06	–	–	(0.04)	(0.05)	0.01	0.09	0.08	–	0.04	–
Income taxes – Adjusted	0.30	0.30	0.25	0.30	0.32	0.33	0.28	0.31	0.31	0.28	0.30	0.33	0.30	0.30
Non-controlling interests – Adjusted	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Net income attributable to the Bank's shareholders and holders of other equity instruments – Adjusted	0.82	0.84	0.72	0.83	0.95	0.94	0.82	0.91	0.89	0.84	0.83	0.94	0.85	0.86

Net Interest Margin, Non-trading – Adjusted ⁽¹⁾														
Net interest income, non-trading – Adjusted ⁽²⁾	1,280	1,373	1,256	1,186	1,084	1,068	1,014	1,014	989	999	2,653	2,152	4,594	4,016
Average interest-bearing assets, non-trading ⁽³⁾	251,827	249,025	244,281	236,243	230,622	228,025	218,029	211,240	209,992	205,441	250,403	229,302	234,827	211,185
Net interest margin, non-trading – Adjusted ⁽¹⁾	2.09%	2.19%	2.04%	1.99%	1.93%	1.86%	1.85%	1.90%	1.93%	1.93%	2.14%	1.89%	1.96%	1.90%

Prime rate	6.70%	6.27%	5.17%	3.72%	2.71%	2.45%	2.45%	2.45%	2.45%	2.45%	6.48%	2.58%	3.52%	2.45%
Target rate	4.50%	4.07%	2.96%	1.51%	0.51%	0.25%	0.25%	0.25%	0.25%	0.25%	4.28%	0.38%	1.31%	0.25%
Spread	2.20%	2.20%	2.21%	2.21%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.21%	2.20%

Selected Average Consolidated Balance Sheet items														
Average Securities ⁽⁴⁾	118,218	121,269	113,790	108,325	108,715	116,519	115,873	114,348	114,219	119,594	119,768	112,682	111,863	116,023
Average Securities purchased under reverse repurchase agreements and securities borrowed ⁽⁴⁾	21,060	22,985	20,788	17,482	14,187	12,497	10,780	11,812	12,147	11,517	22,038	13,328	16,255	11,559
Average loans and acceptances ⁽⁴⁾	213,650	209,699	203,973	197,650	189,831	185,757	180,631	174,252	168,700	165,588	211,642	187,760	194,340	172,323
Average interest-bearing assets ⁽³⁾	378,765	380,866	364,248	348,566	341,156	346,408	332,881	326,068	326,152	324,352	379,835	343,826	350,168	327,373
Average assets ⁽⁴⁾	421,215	424,946	409,821	391,966	384,626	388,672	371,588	363,584	360,793	357,972	423,111	386,683	393,847	363,506
Average deposits ⁽⁴⁾	282,133	281,553	269,034	260,355	251,260	254,818	246,206	237,162	233,829	227,641	281,845	253,069	258,929	236,229
Average Common shareholders' equity ⁽⁴⁾	19,105	18,722	18,408	17,788	17,116	16,381	15,720	14,900	14,196	13,505	18,921	16,738	17,392	14,581

Assets Under Administration and Under Management										
Assets under administration⁽³⁾	673,483	652,873	616,165	621,126	627,739	654,538	651,530	630,019	596,845	559,206
Assets under management⁽³⁾										
Individual	72,223	69,825	65,214	64,385	64,646	65,091	64,941	62,108	57,873	53,429
Mutual funds	50,806	49,949	47,132	49,519	50,286	53,114	52,245	50,778	47,449	43,628
	123,029	119,774	112,346	113,904	114,932	118,205	117,186	112,886	105,322	97,057

(1) For additional information on non-GAAP ratios, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) For additional information on non-GAAP financial measures, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com. See page 14 in this document to reconcile the amounts by taking *Net interest income – Adjusted less Trading activity revenues – Net interest income on a taxable equivalent basis*.

(3) For details on the composition of these measures, see the Glossary section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(4) Represents an average of the daily balances for the period.

Segment Disclosures

(millions of Canadian dollars)

	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Personal and Commercial														
Net interest income	802	825	785	741	670	669	654	647	617	629	1,627	1,339	2,865	2,547
Non-interest income	298	299	286	302	292	289	276	275	265	252	597	581	1,169	1,068
Total revenues	1,100	1,124	1,071	1,043	962	958	930	922	882	881	2,224	1,920	4,034	3,615
Non-interest expenses	601	606	574	560	552	555	527	509	505	515	1,207	1,107	2,241	2,056
Income before provisions for credit losses and income taxes	499	518	497	483	410	403	403	413	377	366	1,017	813	1,793	1,559
Provisions for credit losses	37	61	42	49	11	(5)	(5)	17	(17)	45	98	6	97	40
Income before income taxes	462	457	455	434	399	408	408	396	394	321	919	807	1,696	1,519
Income taxes	127	126	120	115	106	108	109	104	104	86	253	214	449	403
Net income	335	331	335	319	293	300	299	292	290	235	666	593	1,247	1,116
Net interest margin ⁽¹⁾	2.34%	2.35%	2.26%	2.17%	2.10%	2.05%	2.05%	2.09%	2.14%	2.16%	2.35%	2.07%	2.15%	2.11%
Efficiency ratio ⁽¹⁾	54.6%	53.9%	53.6%	53.7%	57.4%	57.9%	56.7%	55.2%	57.3%	58.5%	54.3%	57.7%	55.6%	56.9%
Average loans and acceptances ⁽²⁾ - Personal	94,362	94,511	94,291	93,195	91,045	89,982	88,466	86,351	83,819	82,721	94,438	90,505	92,138	85,351
Mortgages loans	80,909	81,213	81,025	80,167	78,501	77,448	76,081	74,180	71,892	70,563	81,064	77,966	79,292	73,189
Personal loans	11,208	11,027	11,030	10,822	10,498	10,474	10,423	10,291	10,161	10,311	11,116	10,486	10,708	10,298
Credit Card	2,245	2,271	2,236	2,206	2,046	2,060	1,962	1,880	1,766	1,847	2,258	2,053	2,138	1,864
Average loans and acceptances ⁽²⁾ - Commercial	52,127	50,836	50,006	48,322	46,034	45,195	43,670	41,441	39,070	37,374	51,471	45,608	47,400	40,400
Average assets ⁽²⁾	147,316	146,131	145,145	142,241	137,636	136,093	133,210	128,517	123,569	120,495	146,714	136,852	140,300	126,471
Average interest-bearing assets ⁽¹⁾	140,319	139,215	138,064	135,396	131,153	129,476	126,633	122,614	118,233	115,595	139,758	130,301	133,543	120,790
Average deposits ⁽²⁾ - Personal	39,704	39,591	38,826	38,405	37,541	37,299	37,091	37,002	36,399	36,094	39,647	37,418	38,022	36,649
Average deposits ⁽²⁾ - Commercial	44,279	45,460	47,076	44,607	41,371	42,758	42,726	40,333	38,358	37,672	44,879	42,076	43,974	39,784
Number of employees (full-time equivalent)	7,934	7,989	7,927	7,803	7,703	7,715	7,591	7,487	7,546	7,714	7,934	7,703	7,927	7,591
Wealth Management														
Net interest income	190	208	187	161	127	119	114	112	111	109	398	246	594	446
Non-interest income	427	429	426	430	452	473	447	434	430	409	856	925	1,781	1,720
Total revenues	617	637	613	591	579	592	561	546	541	518	1,254	1,171	2,375	2,166
Non-interest expenses	372	364	349	351	357	360	344	327	320	308	736	717	1,417	1,299
Income before provisions for credit losses and income taxes	245	273	264	240	222	232	217	219	221	210	518	454	958	867
Provisions for credit losses	-	-	2	1	-	-	1	-	2	(2)	-	-	3	1
Income before income taxes	245	273	262	239	222	232	216	219	219	212	518	454	955	866
Income taxes	67	75	69	64	59	62	57	58	58	56	142	121	254	229
Net income	178	198	193	175	163	170	159	161	161	156	376	333	701	637
Efficiency ratio ⁽¹⁾	60.3%	57.1%	56.9%	59.4%	61.7%	60.8%	61.3%	59.9%	59.1%	59.5%	58.7%	61.2%	59.7%	60.0%
Average loans and acceptances	7,542	7,548	7,513	7,455	7,256	7,147	6,739	6,404	5,977	5,529	7,546	7,201	7,343	6,164
Average assets	8,518	8,523	8,582	8,518	8,327	8,331	7,882	7,541	7,135	6,682	8,521	8,329	8,440	7,312
Average deposits	40,344	40,214	37,609	34,881	34,810	34,027	33,668	33,256	33,952	34,895	40,278	34,412	35,334	33,943
Number of employees (full-time equivalent)	2,980	2,972	2,925	2,928	2,846	2,799	2,752	2,746	2,708	2,640	2,980	2,846	2,925	2,752

(1) For details on the composition of these measures, see the Glossary section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) Represents an average of the daily balances for the period.

Segment Disclosures (continued)

(millions of Canadian dollars)

Financial Markets	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Net interest income on a taxable equivalent basis ⁽¹⁾	(212)	(91)	113	392	355	398	287	337	302	336	(303)	753	1,258	1,262
Non-interest income on a taxable equivalent basis ⁽¹⁾	884	780	450	219	277	264	209	200	285	262	1,664	541	1,210	956
Total revenues on a taxable equivalent basis	672	689	563	611	632	662	496	537	587	598	1,361	1,294	2,468	2,218
Non-interest expenses	283	287	254	254	258	263	213	226	233	234	570	521	1,029	906
Income before provisions for credit losses and income taxes on a taxable equivalent basis	389	402	309	357	374	399	283	311	354	364	791	773	1,439	1,312
Provisions for credit losses	19	(9)	32	(23)	(16)	(16)	(40)	(25)	21	20	10	(32)	(23)	(24)
Income before income taxes on a taxable equivalent basis	370	411	277	380	390	415	323	336	333	344	781	805	1,462	1,336
Income taxes on a taxable equivalent basis	102	113	74	101	103	110	85	89	88	91	215	213	388	353
Net income	268	298	203	279	287	305	238	247	245	253	566	592	1,074	983
Efficiency ratio on a taxable equivalent basis ⁽²⁾	42.1%	41.7%	45.1%	41.6%	40.8%	39.7%	42.9%	42.1%	39.7%	39.1%	41.9%	40.3%	41.7%	40.8%
Average loans and acceptances (Corporate Banking only)	28,804	27,066	24,576	22,991	21,431	20,219	19,825	19,392	19,530	19,769	27,921	20,815	22,311	19,630
Average assets	172,361	173,262	160,778	149,653	149,029	157,761	152,001	152,275	148,137	152,444	172,819	153,467	154,349	151,240
Average deposits	58,339	52,820	49,487	46,761	45,203	47,452	47,394	45,235	43,442	39,932	55,540	46,346	47,242	44,006
Number of employees (full-time equivalent)	956	951	962	1,015	895	870	836	856	772	778	956	895	962	836

U.S. Specialty Finance and International (USF&I)														
Net interest income	269	299	277	266	277	270	241	232	215	219	568	547	1,090	907
Non-interest income	16	20	(10)	7	8	15	1	16	22	55	36	23	20	94
Total revenues	285	319	267	273	285	285	242	248	237	274	604	570	1,110	1,001
Non-interest expenses	98	98	90	86	88	80	76	79	77	83	196	168	344	315
Income before provisions for credit losses and income taxes	187	221	177	187	197	205	166	169	160	191	408	402	766	686
Provisions for credit losses	26	35	10	29	9	18	3	(35)	(1)	18	61	27	66	(15)
Income before income taxes	161	186	167	158	188	187	163	204	161	173	347	375	700	701
Income taxes	33	39	35	33	36	39	34	43	32	37	72	75	143	146
Net income	128	147	132	125	152	148	129	161	129	136	275	300	557	555
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income attributable to the Bank's shareholders and holders of other equity instruments	128	147	132	125	152	148	129	161	129	136	275	300	557	555
Efficiency ratio ⁽²⁾	34.4%	30.7%	33.7%	31.5%	30.9%	28.1%	31.4%	31.9%	32.5%	30.3%	32.5%	29.5%	31.0%	31.5%
Average loans and receivables ⁽³⁾	18,369	17,941	16,642	15,438	14,647	14,387	13,479	12,539	12,258	11,945	18,151	14,515	15,283	12,558
Average assets	22,562	21,606	20,395	18,941	18,230	17,974	17,143	16,011	15,894	15,545	22,076	18,100	18,890	16,150
Average deposits	10,586	9,813	9,343	8,722	8,342	7,896	7,351	6,773	6,492	6,175	10,193	8,115	8,577	6,699
Number of employees (full-time equivalent)	9,015	8,411	7,952	7,537	7,322	7,128	6,913	6,610	6,639	6,533	9,015	7,322	7,952	6,913

(1) The financing costs of the trading activity are presented in *Net interest income*, while most related gains are recorded in *Non-interest income*. For additional information, see Note 21 to the audited annual consolidated financial statements for the year ended October 31, 2022.

(2) For details on the composition of these measures, see the Glossary section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(3) Represents an average of the daily balances for the period.

Segment Disclosures (continued)

(millions of Canadian dollars)

Other – Adjusted ⁽¹⁾	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Net interest income – Adjusted	(91)	(64)	(90)	(81)	(67)	(64)	(67)	(52)	(47)	(32)	(155)	(131)	(302)	(198)
Non-interest income – Adjusted	28	7	5	47	100	97	90	100	82	42	35	197	249	314
Total revenues – Adjusted	(63)	(57)	(85)	(34)	33	33	23	48	35	10	(120)	66	(53)	116
Non-interest expenses – Adjusted	20	48	79	54	44	22	99	83	82	54	68	66	199	318
Income before provisions for credit losses and income taxes – Adjusted	(83)	(105)	(164)	(88)	(11)	11	(76)	(35)	(47)	(44)	(188)	–	(252)	(202)
Provisions for credit losses	3	(1)	1	1	(1)	1	–	–	–	–	2	–	2	–
Income before income taxes – Adjusted	(86)	(104)	(165)	(89)	(10)	10	(76)	(35)	(47)	(44)	(190)	–	(254)	(202)
Income taxes (recovery) – Adjusted	(24)	(35)	(40)	(17)	(4)	3	(27)	(7)	(10)	(14)	(59)	(1)	(58)	(58)
Net income – Adjusted	(62)	(69)	(125)	(72)	(6)	7	(49)	(28)	(37)	(30)	(131)	1	(196)	(144)
Non-controlling interests – Adjusted	(1)	–	–	–	(1)	–	–	–	–	–	(1)	(1)	(1)	–
Net income attributable to the Bank's shareholders and holders of other equity instruments – Adjusted	(61)	(69)	(125)	(72)	(5)	7	(49)	(28)	(37)	(30)	(130)	2	(195)	(144)
Average assets	70,458	75,424	74,921	72,613	71,404	68,513	61,352	59,240	66,058	62,806	72,981	69,935	71,868	62,333
Average deposits	88,881	93,656	86,693	86,979	83,993	85,386	77,976	74,563	75,186	72,873	91,308	84,702	85,780	75,148
Number of employees (full-time equivalent)	7,285	7,351	7,337	7,256	7,057	6,905	6,403	6,375	6,200	6,220	7,285	7,057	7,337	6,403

Total - Adjusted ⁽¹⁾														
Net interest income – Adjusted	958	1,177	1,272	1,479	1,362	1,392	1,229	1,276	1,198	1,261	2,135	2,754	5,505	4,964
Non-interest income – Adjusted	1,653	1,535	1,157	1,005	1,129	1,138	1,023	1,025	1,084	1,020	3,188	2,267	4,429	4,152
Total revenues – Adjusted	2,611	2,712	2,429	2,484	2,491	2,530	2,252	2,301	2,282	2,281	5,323	5,021	9,934	9,116
Non-interest expenses – Adjusted	1,374	1,403	1,346	1,305	1,299	1,280	1,259	1,224	1,217	1,194	2,777	2,579	5,230	4,894
Income before provisions for credit losses and income taxes – Adjusted	1,237	1,309	1,083	1,179	1,192	1,250	993	1,077	1,065	1,087	2,546	2,442	4,704	4,222
Provisions for credit losses	85	86	87	57	3	(2)	(41)	(43)	5	81	171	1	145	2
Income before income taxes – Adjusted	1,152	1,223	996	1,122	1,189	1,252	1,034	1,120	1,060	1,006	2,375	2,441	4,559	4,220
Income taxes – Adjusted	305	318	258	296	300	322	258	287	272	256	623	622	1,176	1,073
Net income – Adjusted	847	905	738	826	889	930	776	833	788	750	1,752	1,819	3,383	3,147
Non-controlling interests – Adjusted	(1)	–	–	–	(1)	–	–	–	–	–	(1)	(1)	(1)	–
Net income attributable to the Bank's shareholders and holders of other equity instruments – Adjusted	848	905	738	826	890	930	776	833	788	750	1,753	1,820	3,384	3,147
Efficiency ratio – Adjusted ⁽²⁾	52.6%	51.7%	55.4%	52.5%	52.1%	50.6%	55.9%	53.2%	53.3%	52.3%	52.2%	51.4%	52.6%	53.7%
Average loans and acceptances	213,650	209,699	203,973	197,650	189,831	185,757	180,631	174,252	168,700	165,588	211,642	187,760	194,340	172,323
Average assets	421,215	424,946	409,821	391,966	384,626	388,672	371,588	363,584	360,793	357,972	423,111	386,683	393,847	363,506
Average deposits	282,133	281,553	269,034	260,355	251,260	254,818	246,206	237,162	233,829	227,641	281,845	253,069	258,929	236,229
Number of employees (full-time equivalent)	28,170	27,674	27,103	26,539	25,823	25,417	24,495	24,074	23,865	23,885	28,170	25,823	27,103	24,495

(1) For additional information on non-GAAP financial measures, see pages 12 and 13 in this document and the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) For additional information on non-GAAP ratios, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

U.S. Specialty Finance and International - Detailed Information

(millions of Canadian dollars)

	2023								YTD			
	Q2				Q1				2023			
	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total
Net interest income	110	161	(2)	269	136	162	1	299	246	323	(1)	568
Non-interest income	(2)	17	1	16	1	18	1	20	(1)	35	2	36
Total revenues	108	178	(1)	285	137	180	2	319	245	358	1	604
Non-interest expenses	33	65	-	98	36	61	1	98	69	126	1	196
Income before provisions for credit losses and income taxes	75	113	(1)	187	101	119	1	221	176	232	-	408
Provisions for credit losses	20	6	-	26	31	4	-	35	51	10	-	61
Income before income taxes	55	107	(1)	161	70	115	1	186	125	222	-	347
Income taxes	11	22	-	33	15	24	-	39	26	46	-	72
Net income	44	85	(1)	128	55	91	1	147	99	176	-	275
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-
Net income attributable to the Bank's shareholders and holders of other equity instruments	44	85	(1)	128	55	91	1	147	99	176	-	275
Efficiency ratio	30.6%	36.5%	-	34.4%	26.3%	33.9%	-	30.7%	28.2%	35.2%	-	32.5%
Average loans and receivables	9,329	9,039	1	18,369	9,381	8,559	1	17,941	9,355	8,795	1	18,151
Average assets	9,645	12,712	205	22,562	9,597	11,809	200	21,606	9,620	12,253	203	22,076
Average deposits	-	10,586	-	10,586	-	9,813	-	9,813	-	10,193	-	10,193

	2022												Full Year							
	Q4				Q3				Q2				Q1				2022			
	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total
Net interest income	116	162	(1)	277	113	155	(2)	266	131	147	(1)	277	129	141	-	270	489	605	(4)	1,090
Non-interest income	(28)	17	1	(10)	(8)	13	2	7	(11)	17	2	8	(3)	17	1	15	(50)	64	6	20
Total revenues	88	179	-	267	105	168	-	273	120	164	1	285	126	158	1	285	439	669	2	1,110
Non-interest expenses	32	58	-	90	31	55	-	86	35	52	1	88	33	47	-	80	131	212	1	344
Income before provisions for credit losses and income taxes	56	121	-	177	74	113	-	187	85	112	-	197	93	111	1	205	308	457	1	766
Provisions for credit losses	(2)	12	-	10	19	10	-	29	4	5	-	9	14	4	-	18	35	31	-	66
Income before income taxes	58	109	-	167	55	103	-	158	81	107	-	188	79	107	1	187	273	426	1	700
Income taxes	12	23	-	35	11	22	-	33	17	19	-	36	17	22	-	39	57	86	-	143
Net income	46	86	-	132	44	81	-	125	64	88	-	152	62	85	1	148	216	340	1	557
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income attributable to the Bank's shareholders and holders of other equity instruments	46	86	-	132	44	81	-	125	64	88	-	152	62	85	1	148	216	340	1	557
Efficiency ratio	36.4%	32.4%	-	33.7%	29.5%	32.7%	-	31.5%	29.2%	31.7%	-	30.9%	26.2%	29.7%	-	28.1%	29.8%	31.7%	-	31.0%
Average loans and receivables	8,601	8,040	1	16,642	7,858	7,577	3	15,438	7,610	7,037	-	14,647	7,870	6,516	1	14,387	7,988	7,294	1	15,283
Average assets	8,968	11,248	179	20,395	8,122	10,626	193	18,941	7,870	10,162	198	18,230	8,025	9,612	337	17,974	8,249	10,414	227	18,890
Average deposits	-	9,343	-	9,343	-	8,722	-	8,722	-	8,342	-	8,342	-	7,896	-	7,896	-	8,577	-	8,577

	2021												Full Year							
	Q4				Q3				Q2				Q1				2021			
	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total	Credigy ⁽²⁾	ABA Bank	Other ⁽¹⁾	Total	Credigy	ABA Bank	Other ⁽¹⁾	Total
Net interest income	114	128	(1)	241	116	117	(1)	232	107	110	(2)	215	112	108	(1)	219	449	463	(5)	907
Non-interest income	(14)	11	4	1	-	14	2	16	8	11	3	22	43	11	1	55	37	47	10	94
Total revenues	100	139	3	242	116	131	1	248	115	121	1	237	155	119	-	274	486	510	5	1,001
Non-interest expenses	30	45	1	76	36	42	1	79	34	42	1	77	39	44	-	83	139	173	3	315
Income before provisions for credit losses and income taxes	70	94	2	166	80	89	-	169	81	79	-	160	116	75	-	191	347	337	2	686
Provisions for credit losses	-	3	-	3	(45)	10	-	(35)	(12)	11	-	(1)	16	2	-	18	(41)	26	-	(15)
Income before income taxes	70	91	2	163	125	79	-	204	93	68	-	161	100	73	-	173	388	311	2	701
Income taxes	15	19	-	34	26	17	-	43	24	8	-	32	21	16	-	37	86	60	-	146
Net income	55	72	2	129	99	62	-	161	69	60	-	129	79	57	-	136	302	251	2	555
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income attributable to the Bank's shareholders and holders of other equity instruments	55	72	2	129	99	62	-	161	69	60	-	129	79	57	-	136	302	251	2	555
Efficiency ratio	30.0%	32.4%	-	31.4%	31.0%	32.1%	-	31.9%	29.6%	34.7%	-	32.5%	25.2%	37.0%	-	30.3%	28.6%	33.9%	-	31.5%
Average loans and receivables	7,589	5,890	-	13,479	7,199	5,340	-	12,539	7,188	5,070	-	12,258	7,231	4,713	1	11,945	7,303	5,255	-	12,558
Average assets	7,829	8,968	346	17,143	7,381	8,294	336	16,011	7,408	8,133	353	15,894	7,448	7,730	367	15,545	7,518	8,282	350	16,150
Average deposits	-	7,351	-	7,351	-	6,773	-	6,773	-	6,492	-	6,492	-	6,175	-	6,175	-	6,699	-	6,699

(1) Includes other international investments.

(2) During the quarter ended January 31, 2021, the Bank acquired the entire remaining non-controlling interest in the Credigy Ltd. subsidiary following the decision of the non-controlling shareholders to exercise their put options for an amount of \$300 million according to an agreement reached in 2013. Following this transaction, Credigy Ltd. became a wholly owned subsidiary of the Bank.

Reconciliation of Non-GAAP Financial Measures⁽¹⁾

(millions of Canadian dollars)

	2023		2022				2021				YTD		Full year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Net interest income	882	1,099	1,207	1,419	1,313	1,332	1,190	1,230	1,156	1,207	1,981	2,645	5,271	4,783
Taxable equivalent ⁽¹⁾	76	78	65	60	49	60	39	46	42	54	154	109	234	181
Net interest income – Adjusted	958	1,177	1,272	1,479	1,362	1,392	1,229	1,276	1,198	1,261	2,135	2,754	5,505	4,964
Non-interest income	1,597	1,483	1,127	994	1,126	1,134	1,021	1,024	1,082	1,017	3,080	2,260	4,381	4,144
Taxable equivalent ⁽¹⁾	56	52	30	11	3	4	2	1	2	3	108	7	48	8
Non-interest income – Adjusted	1,653	1,535	1,157	1,005	1,129	1,138	1,023	1,025	1,084	1,020	3,188	2,267	4,429	4,152
Total revenues – Adjusted	2,611	2,712	2,429	2,484	2,491	2,530	2,252	2,301	2,282	2,281	5,323	5,021	9,934	9,116
Non-interest expenses	1,374	1,403	1,346	1,305	1,299	1,280	1,268	1,224	1,217	1,194	2,777	2,579	5,230	4,903
Impairment losses on premises and equipment and on intangible assets ⁽²⁾	–	–	–	–	–	–	(9)	–	–	–	–	–	–	(9)
Non-interest expenses – Adjusted	1,374	1,403	1,346	1,305	1,299	1,280	1,259	1,224	1,217	1,194	2,777	2,579	5,230	4,894
Income before provisions for credit losses and income taxes – Adjusted	1,237	1,309	1,083	1,179	1,192	1,250	993	1,077	1,065	1,087	2,546	2,442	4,704	4,222
Provisions for credit losses	85	86	87	57	3	(2)	(41)	(43)	5	81	171	1	145	2
Income before income taxes – Adjusted	1,152	1,223	996	1,122	1,189	1,252	1,034	1,120	1,060	1,006	2,375	2,441	4,559	4,220
Income taxes	173	212	163	225	248	258	215	240	228	199	385	506	894	882
Taxable equivalent ⁽¹⁾	132	130	95	71	52	64	41	47	44	57	262	116	282	189
Income taxes related to the Canadian government's 2022 tax measures ⁽²⁾	–	(24)	–	–	–	–	–	–	–	–	(24)	–	–	–
Income taxes on specified items ⁽²⁾	–	–	–	–	–	–	2	–	–	–	–	–	–	2
Income taxes – Adjusted	305	318	258	296	300	322	258	287	272	256	623	622	1,176	1,073
Net income – Adjusted	847	905	738	826	889	930	776	833	788	750	1,752	1,819	3,383	3,147
Specified items after income taxes	–	(24)	–	–	–	–	(7)	–	–	–	(24)	–	–	(7)
Net income	847	881	738	826	889	930	769	833	788	750	1,728	1,819	3,383	3,140
Non-controlling interests	(1)	–	–	–	(1)	–	–	–	–	–	(1)	(1)	(1)	–
Net income attributable to the Bank's shareholders and holders of other equity instruments	848	881	738	826	890	930	769	833	788	750	1,729	1,820	3,384	3,140
Net income attributable to the Bank's shareholders and holders of other equity instruments – Adjusted	848	905	738	826	890	930	776	833	788	750	1,753	1,820	3,384	3,147

(1) For additional information on non-GAAP financial measures, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) More details on specified items or presented on page 13.

Specified Items⁽¹⁾

(millions of Canadian dollars)

		Net interest income	Non-interest income	Total revenues	Non-interest expenses	Income before provisions for credit losses and income taxes	Provisions for credit losses	Income before income taxes	Income taxes	Net income	Non-controlling interest	Net income attributable to the Bank's shareholders and holders of other equity instruments
2023												
Q1	Income taxes related to the Canadian government's 2022 tax measures								24	(24)	-	(24)
	<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	24	(24)	-	(24)
Total		-	-	-	-	-	-	-	24	(24)	-	(24)
2021												
Q4	Impairment losses on intangible assets ⁽²⁾				9	(9)	-	(9)	(2)	(7)	-	(7)
	<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	9	(9)	-	(9)	(2)	(7)	-	(7)
Total		-	-	-	9	(9)	-	(9)	(2)	(7)	-	(7)

(1) For additional information on non-GAAP financial measures, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) The specified item is presented in the *Amortization – Technology* item of the *Non-interest expenses*.

Total Revenues – Adjusted⁽¹⁾

(millions of Canadian dollars)

	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Net Interest Income – Adjusted⁽¹⁾														
Interest income														
Loans	3,026	2,903	2,400	1,845	1,469	1,422	1,369	1,390	1,325	1,376	5,929	2,891	7,136	5,460
Securities	545	596	554	575	402	443	350	368	349	384	1,141	845	1,974	1,451
Deposits with financial institutions	408	372	247	125	40	23	19	19	20	18	780	63	435	76
	3,979	3,871	3,201	2,545	1,911	1,888	1,738	1,777	1,694	1,778	7,850	3,799	9,545	6,987
Interest expense														
Deposits	2,365	2,096	1,586	870	435	400	405	407	397	426	4,461	835	3,291	1,635
Liabilities related to transferred receivables	157	142	147	119	105	101	102	92	92	86	299	206	472	372
Subordinated debt	10	15	15	5	4	4	4	5	4	4	25	8	28	17
Other	565	519	246	132	54	51	37	43	45	55	1,084	105	483	180
	3,097	2,772	1,994	1,126	598	556	548	547	538	571	5,869	1,154	4,274	2,204
Taxable equivalent	76	78	65	60	49	60	39	46	42	54	154	109	234	181
Net interest income – Adjusted	958	1,177	1,272	1,479	1,362	1,392	1,229	1,276	1,198	1,261	2,135	2,754	5,505	4,964
Non-Interest Income – Adjusted⁽¹⁾														
Underwriting and advisory fees	93	107	94	68	84	78	80	110	145	80	200	162	324	415
Securities brokerage commissions	47	47	42	46	59	57	50	56	65	67	94	116	204	238
Mutual fund revenues	141	143	141	143	147	156	149	144	138	132	284	303	587	563
Investment management and trust service fees	247	242	244	244	253	256	251	231	216	202	489	509	997	900
Credit fees	133	137	125	121	119	125	126	122	127	131	270	244	490	506
Card revenues	51	46	47	48	44	47	42	37	36	33	97	91	186	148
Deposit and payment service charges	73	73	78	76	73	71	70	72	67	65	146	144	298	274
Trading revenues (losses)	650	531	229	71	121	122	55	34	71	108	1,181	243	543	268
Gains (losses) on non-trading securities, net	30	11	(3)	9	53	54	20	45	50	36	41	107	113	151
Insurance revenues, net	45	38	26	48	37	47	33	35	35	28	83	84	158	131
Foreign exchange revenues, other than trading	38	56	57	46	56	52	45	49	56	52	94	108	211	202
Share in the net income of associates and joint ventures	4	3	4	4	15	5	6	6	5	6	7	20	28	23
Other	45	49	43	70	65	64	94	83	71	77	94	129	242	325
	1,597	1,483	1,127	994	1,126	1,134	1,021	1,024	1,082	1,017	3,080	2,260	4,381	4,144
Taxable equivalent	56	52	30	11	3	4	2	1	2	3	108	7	48	8
Non-interest income – Adjusted	1,653	1,535	1,157	1,005	1,129	1,138	1,023	1,025	1,084	1,020	3,188	2,267	4,429	4,152
As a % of total revenues – Adjusted	63.3%	56.6%	47.6%	40.5%	45.3%	45.0%	45.4%	44.5%	47.5%	44.7%	59.9%	45.2%	44.6%	45.5%
Trading Activity Revenues														
Net interest income on a taxable equivalent basis	(322)	(196)	16	293	278	324	215	262	209	262	(518)	602	911	948
Non-interest income on a taxable equivalent basis	710	589	258	77	121	140	61	38	78	113	1,299	261	596	290
Trading activity revenues on a taxable equivalent basis ⁽²⁾	388	393	274	370	399	464	276	300	287	375	781	863	1,507	1,238
Less: taxable equivalent	130	129	94	70	50	63	39	46	38	56	259	113	277	179
Trading activity revenues	258	264	180	300	349	401	237	254	249	319	522	750	1,230	1,059
Trading Activity Revenues														
Financial Markets														
Equities	222	192	207	202	287	283	175	171	138	201	414	570	979	685
Fixed-income	97	151	71	117	69	110	58	84	99	116	248	179	367	357
Commodities and foreign exchange	66	54	26	50	40	40	34	24	32	38	120	80	156	128
	385	397	304	369	396	433	267	279	269	355	782	829	1,502	1,170
Other segments	3	(4)	(30)	1	3	31	9	21	18	20	(1)	34	5	68
Trading activity revenues on a taxable equivalent basis ⁽²⁾	388	393	274	370	399	464	276	300	287	375	781	863	1,507	1,238
Less: taxable equivalent	130	129	94	70	50	63	39	46	38	56	259	113	277	179
Trading activity revenues	258	264	180	300	349	401	237	254	249	319	522	750	1,230	1,059

(1) For additional information on non-GAAP financial measures, see pages 12 and 13 in this document and the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) Including *Net interest income* on a taxable equivalent basis and *Non-interest income* on a taxable equivalent basis. This is a non-GAAP measure, for additional information, see the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

Non-Interest Expenses – Adjusted⁽¹⁾

(millions of Canadian dollars)

Non-Interest Expenses	2023		2022				2021				YTD		Full year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Compensation and employee benefits														
Salaries	399	412	402	394	357	359	340	338	316	328	811	716	1,512	1,322
Variable compensation	322	335	331	334	351	325	312	326	345	292	657	676	1,341	1,275
Pension plans and other post-employment benefit plans	112	128	98	100	100	133	102	109	108	111	240	233	431	430
	833	875	831	828	808	817	754	773	769	731	1,708	1,625	3,284	3,027
Occupancy														
Rent	24	24	24	23	24	23	24	23	23	23	48	47	94	93
Taxes & insurance	6	6	7	5	2	2	1	2	2	2	12	4	16	7
Maintenance, lighting	13	13	13	11	11	12	12	12	11	12	26	23	47	47
Amortization - Premises and equipment	40	40	39	38	39	39	38	36	36	42	80	78	155	152
	83	83	83	77	76	76	75	73	72	79	166	152	312	299
Technology														
Technology	166	162	144	143	151	151	152	136	132	137	328	302	589	557
Amortization - Technology	89	90	83	82	81	80	76	74	78	77	179	161	326	305
	255	252	227	225	232	231	228	210	210	214	507	463	915	862
Communications	15	14	13	14	16	14	11	14	15	13	29	30	57	53
Professional fees	62	63	68	61	57	63	75	60	55	56	125	120	249	246
Other expenses														
Advertising & business development	42	35	47	37	32	28	36	21	26	26	77	60	144	109
Capital and payroll taxes	9	10	13	13	14	(8)	9	13	12	18	19	6	32	52
Other	75	71	64	50	64	59	71	60	58	57	146	123	237	246
	126	116	124	100	110	79	116	94	96	101	242	189	413	407
	1,374	1,403	1,346	1,305	1,299	1,280	1,259	1,224	1,217	1,194	2,777	2,579	5,230	4,894

(1) For additional information on non-GAAP financial measures, see pages 12 and 13 in this document and the Financial Reporting Method section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

Consolidated Balance Sheets

(millions of Canadian dollars)

	2023		2022				2021			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Assets										
Cash and deposits with financial institutions	42,501	42,286	31,870	37,968	30,423	40,063	33,879	37,086	36,958	33,726
Securities	116,922	113,939	109,719	106,188	100,455	98,742	106,304	105,278	107,346	110,640
Securities purchased under reverse repurchase agreements and securities borrowed	16,827	26,430	26,486	16,823	11,741	15,178	7,516	8,791	11,356	10,419
Loans										
Residential mortgage - insured	37,718	37,073	36,071	35,338	34,153	33,990	33,730	33,877	33,420	33,357
- uninsured	45,723	45,031	44,058	42,798	41,782	40,373	38,812	37,234	34,930	33,470
Personal	45,255	45,067	45,323	44,638	43,515	41,975	41,053	39,845	38,723	37,738
Credit card	2,433	2,296	2,389	2,318	2,252	2,039	2,150	2,035	1,985	1,846
Business and government	79,138	75,154	73,317	70,497	66,706	63,863	61,106	60,278	56,817	55,550
Customers' liability under acceptances	6,567	6,765	6,541	6,287	6,536	6,768	6,836	6,731	6,871	6,878
Allowances for credit losses	(1,070)	(1,007)	(955)	(952)	(915)	(928)	(998)	(1,054)	(1,114)	(1,149)
	215,764	210,379	206,744	200,924	194,029	188,080	182,689	178,946	171,632	167,690
Other assets	25,670	25,308	28,921	24,930	32,922	24,617	25,233	23,772	23,289	21,014
Total assets	417,684	418,342	403,740	386,833	369,570	366,680	355,621	353,873	350,581	343,489
Liabilities and equity										
Deposits										
Personal	85,606	83,647	78,811	74,834	71,826	71,198	70,076	69,387	68,507	68,559
Business and government	191,755	195,038	184,230	178,268	169,702	172,588	167,870	162,874	157,937	153,945
Deposit-taking institutions	4,153	3,820	3,353	4,088	5,156	3,309	2,992	4,283	4,876	5,173
	281,514	282,505	266,394	257,190	246,684	247,095	240,938	236,544	231,320	227,677
Other										
Acceptances	6,567	6,765	6,541	6,287	6,536	6,768	6,836	6,731	6,871	6,878
Obligations related to securities sold short	18,721	19,778	21,817	23,331	21,361	20,529	20,266	18,654	18,564	18,273
Obligations related to securities sold under repurchase agreements and securities loaned	38,057	37,635	33,473	30,138	24,292	25,304	17,293	26,642	28,779	31,282
Derivative financial instruments	16,865	17,170	19,632	16,044	19,809	15,810	19,367	16,593	16,749	14,010
Liabilities related to transferred receivables	25,982	24,832	26,277	25,110	24,647	25,107	25,170	23,638	24,178	22,664
Other liabilities	6,609	6,145	6,361	6,306	5,233	5,828	6,301	5,890	5,354	5,160
	112,801	112,325	114,101	107,216	101,878	99,346	95,233	98,148	100,495	98,267
Subordinated debt	748	1,497	1,499	1,510	764	766	768	769	771	773
	113,549	113,822	115,600	108,726	102,642	100,112	96,001	98,917	101,266	99,040
Equity										
Equity attributable to the Bank's shareholders and holders of other equity instruments										
Preferred shares and other equity instruments	3,150	3,150	3,150	2,650	2,650	2,650	2,650	3,050	3,450	2,950
Common shares	3,261	3,236	3,196	3,189	3,196	3,208	3,160	3,141	3,129	3,094
Contributed surplus	59	55	56	55	49	46	47	47	42	45
Retained earnings	15,943	15,470	15,140	14,994	14,293	13,543	12,854	12,325	11,543	10,850
Accumulated other comprehensive income	207	102	202	27	54	23	(32)	(151)	(169)	(167)
	22,620	22,013	21,744	20,915	20,242	19,470	18,679	18,412	17,995	16,772
Non-controlling interests	1	2	2	2	2	3	3	-	-	-
	22,621	22,015	21,746	20,917	20,244	19,473	18,682	18,412	17,995	16,772
Total liabilities & equity	417,684	418,342	403,740	386,833	369,570	366,680	355,621	353,873	350,581	343,489
Mortgage loan securitization (includes HELOC)	19,736	19,560	17,893	18,131	22,501	22,308	22,195	20,835	21,677	20,671
Credit card securitization	2,102	1,980	2,056	2,006	1,954	1,779	1,887	1,824	1,395	1,293
Covered bonds	13,228	11,385	10,412	10,229	10,577	8,757	8,752	8,585	8,540	9,722
Mutual funds	50,806	49,949	47,132	49,519	50,286	53,114	52,245	50,778	47,449	43,628
Debt securities - excess of market value over book value	(320)	(438)	(620)	(296)	(393)	(95)	(50)	134	88	291
Equity securities - excess of market value over book value	-	4	(14)	(10)	11	48	48	53	47	22
Number of common shares outstanding (thousands)	337,720	337,318	336,582	336,456	336,513	338,367	337,912	337,587	337,372	336,770

Consolidated Statements of Changes in Equity

(millions of Canadian dollars)

	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Preferred shares and other equity instruments at beginning	3,150	3,150	2,650	2,650	2,650	2,650	3,050	3,450	2,950	2,950	3,150	2,650	2,650	2,950
Issuances of preferred shares and other equity instruments	-	-	500	-	-	-	-	-	500	-	-	-	500	500
Redemption of preferred shares and other equity instruments for cancellation	-	-	-	-	-	-	(400)	(400)	-	-	-	-	-	(800)
Preferred shares and other equity instruments at end	3,150	3,150	3,150	2,650	2,650	2,650	2,650	3,050	3,450	2,950	3,150	2,650	3,150	2,650
Common shares at beginning	3,236	3,196	3,189	3,196	3,208	3,160	3,141	3,129	3,094	3,057	3,196	3,160	3,160	3,057
Issuances of common shares pursuant to the Stock Option Plan	26	34	7	2	10	42	17	14	34	39	60	52	61	104
Repurchases of common shares for cancellation	-	-	-	-	(19)	(5)	-	-	-	-	-	(24)	(24)	-
Impact of shares purchased or sold for trading	(1)	6	-	(9)	(3)	11	2	(2)	1	(2)	5	8	(1)	(1)
Common shares at end	3,261	3,236	3,196	3,189	3,196	3,208	3,160	3,141	3,129	3,094	3,261	3,196	3,196	3,160
Contributed surplus at beginning	55	56	55	49	46	47	47	42	45	47	56	47	47	47
Stock option expense	4	5	5	4	4	4	3	3	2	3	9	8	17	11
Stock options exercised	(2)	(4)	(1)	-	(1)	(5)	(2)	-	(4)	(5)	(6)	(6)	(7)	(11)
Other	2	(2)	(3)	2	-	-	(1)	2	(1)	-	-	-	(1)	-
Contributed surplus at end	59	55	56	55	49	46	47	47	42	45	59	49	56	47
Retained earnings at beginning	15,470	15,140	14,994	14,293	13,543	12,854	12,325	11,543	10,850	10,307	15,140	12,854	12,854	10,307
Net income attributable to the Bank's shareholders and holders of other equity instruments	848	881	738	826	890	930	769	833	788	750	1,729	1,820	3,384	3,140
Dividends on preferred shares and distributions on other equity instruments	(40)	(40)	(34)	(29)	(28)	(28)	(28)	(34)	(35)	(34)	(80)	(56)	(119)	(131)
Dividends on common shares	(328)	(327)	(309)	(310)	(293)	(294)	(240)	(239)	(240)	(239)	(655)	(587)	(1,206)	(958)
Premium paid on common shares repurchased for cancellation	-	-	-	-	(178)	(43)	-	-	-	-	-	(221)	(221)	-
Share and other equity instruments issuance expenses, net of income taxes	-	-	(4)	-	-	-	-	-	(4)	-	-	-	(4)	(4)
Remeasurements of pension plans and other post-employment benefit plans	3	(59)	(257)	(41)	76	96	28	173	142	132	(56)	172	(126)	475
Net gains (losses) on equity securities designated at fair value through other comprehensive income	(4)	10	(1)	(9)	(23)	6	5	10	22	27	6	(17)	(27)	64
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	(19)	(139)	10	266	304	21	17	37	18	(84)	(158)	325	601	(12)
Impact of a financial liability resulting from put options written to non-controlling interests	8	(1)	(1)	(5)	(1)	(1)	(25)	-	-	-	7	(2)	(8)	(25)
Other	5	5	4	3	3	2	3	2	2	(9)	10	5	12	(2)
Retained earnings at end	15,943	15,470	15,140	14,994	14,293	13,543	12,854	12,325	11,543	10,850	15,943	14,293	15,140	12,854
Accumulated other comprehensive income at beginning	102	202	27	54	23	(32)	(151)	(169)	(167)	(118)	202	(32)	(32)	(118)
Net foreign currency translation adjustments	75	(100)	225	(5)	31	82	(12)	41	(110)	(109)	(25)	113	333	(190)
Net change in unrealized gains (losses) on debt securities at fair value through other comprehensive income	9	15	(10)	(19)	(33)	(43)	(7)	(21)	(28)	26	24	(76)	(105)	(30)
Net change in gains (losses) on cash flow hedges	21	(16)	(40)	(2)	34	16	138	(1)	135	34	5	50	8	306
Share in the other comprehensive income of associates and joint ventures	-	1	-	(1)	(1)	-	-	(1)	1	-	1	(1)	(2)	-
Accumulated other comprehensive income at end	207	102	202	27	54	23	(32)	(151)	(169)	(167)	207	54	202	(32)
Equity attributable to the Bank's shareholders and holders of other equity instruments	22,620	22,013	21,744	20,915	20,242	19,470	18,679	18,412	17,995	16,772	22,620	20,242	21,744	18,679
Non-controlling interests at beginning	2	2	2	2	3	3	-	-	-	3	2	3	3	3
Non-controlling interest from the Flinks Technology Inc. acquisition	-	-	-	-	-	-	-	3	-	-	-	-	-	3
Purchase of the non-controlling interest of the Credigy Ltd. subsidiary	-	-	-	-	-	-	-	-	-	10	-	-	-	10
Net income attributable to non-controlling interests	(1)	-	-	-	(1)	-	-	-	-	-	(1)	(1)	(1)	-
Other comprehensive income attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	(13)	-	-	-	(13)
Non-controlling interests at end	1	2	2	2	2	3	3	-	-	-	1	2	2	3
Equity	22,621	22,015	21,746	20,917	20,244	19,473	18,682	18,412	17,995	16,772	22,621	20,244	21,746	18,682

Consolidated Statements of Comprehensive Income

(millions of Canadian dollars)

	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Net income	847	881	738	826	889	930	769	833	788	750	1,728	1,819	3,383	3,140
Other comprehensive income, net of income taxes														
Items that may be subsequently reclassified to net income														
Net foreign currency translation adjustments														
Net unrealized foreign currency translation gains (losses)														
on investments in foreign operations	109	(140)	322	(15)	48	116	(37)	58	(159)	(176)	(31)	164	471	(314)
Net foreign currency translation (gains) losses on investments in foreign operations reclassified to net income	-	-	-	-	-	-	16	-	-	-	-	-	-	16
Impact of hedging net foreign currency translation gains (losses)	(34)	40	(97)	10	(17)	(34)	9	(17)	49	54	6	(51)	(138)	95
	75	(100)	225	(5)	31	82	(12)	41	(110)	(122)	(25)	113	333	(203)
Net change in debt securities at fair value through other comprehensive income														
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	(40)	12	(21)	(56)	(56)	(64)	(13)	(7)	(11)	37	(28)	(120)	(197)	6
Net (gains) losses on debt securities at fair value through other comprehensive income reclassified to net income	48	4	10	37	23	21	7	(14)	(17)	(10)	52	44	91	(34)
Change in allowances for credit losses on debt securities at fair value through other comprehensive income reclassified to net income	1	(1)	1	-	-	-	(1)	-	-	(1)	-	-	1	(2)
	9	15	(10)	(19)	(33)	(43)	(7)	(21)	(28)	26	24	(76)	(105)	(30)
Net change in cash flow hedges														
Net gains (losses) on derivative financial instruments designated as cash flow hedges	5	(25)	(50)	(9)	28	6	129	(10)	129	32	(20)	34	(25)	280
Net (gains) losses on designated derivative financial instruments reclassified to net income	16	9	10	7	6	10	9	9	6	2	25	16	33	26
	21	(16)	(40)	(2)	34	16	138	(1)	135	34	5	50	8	306
Share in the other comprehensive income of associates and joint ventures														
	-	1	-	(1)	(1)	-	-	(1)	1	-	1	(1)	(2)	-
Items that will not be subsequently reclassified to net income														
Remeasurements of pension plans and other post-employment benefit plans	3	(59)	(257)	(41)	76	96	28	173	142	132	(56)	172	(126)	475
Net gains (losses) on equity securities designated at fair value through other comprehensive income	(4)	10	(1)	(9)	(23)	6	5	10	22	27	6	(17)	(27)	64
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	(19)	(139)	10	266	304	21	17	37	18	(84)	(158)	325	601	(12)
	(20)	(188)	(248)	216	357	123	50	220	182	75	(208)	480	448	527
Total other comprehensive income, net of income taxes	85	(288)	(73)	189	388	178	169	238	180	13	(203)	566	682	600
Comprehensive income	932	593	665	1,015	1,277	1,108	938	1,071	968	763	1,525	2,385	4,065	3,740
Comprehensive income attributable to														
Bank shareholders and holders of other equity instruments	933	593	665	1,015	1,278	1,108	938	1,071	968	776	1,526	2,386	4,066	3,753
Non-controlling interests	(1)	-	-	-	(1)	-	-	-	-	(13)	(1)	(1)	(1)	(13)

Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses by Borrower Category⁽¹⁾

(millions of Canadian dollars)

	2023								2022			
	Q2				Q1				Q4			
	Gross loans	Gross impaired loans ⁽²⁾	Allowances for credit losses on impaired loans ⁽³⁾ Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans ⁽²⁾	Allowances for credit losses on impaired loans ⁽³⁾ Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans ⁽²⁾	Allowances for credit losses on impaired loans ⁽³⁾ Stage 3	Provisions for credit losses on impaired loans
Residential mortgages ⁽⁴⁾	97,255	302	66	2	96,656	300	64	2	95,575	299	64	14
Qualifying revolving retail	3,825	20	14	19	3,664	17	13	17	3,801	16	12	16
Other retail ⁽⁵⁾	15,326	120	65	18	15,023	108	61	14	14,899	102	58	14
Total – Retail	116,406	442	145	39	115,343	425	138	33	114,275	417	134	44
Agriculture	8,193	24	3	–	8,146	20	2	–	8,109	31	2	–
Oil & Gas	1,576	6	6	(2)	1,418	6	6	–	1,435	6	6	1
Mining	1,232	12	4	–	1,120	12	4	–	1,049	11	4	4
Utilities	10,966	–	–	–	10,482	–	–	(35)	9,682	35	35	–
<i>Utilities excluding Pipelines</i>	7,472	–	–	–	7,276	–	–	(35)	6,919	35	35	–
<i>Pipelines</i>	3,494	–	–	–	3,206	–	–	–	2,763	–	–	–
Construction Non-Real Estate ⁽⁶⁾	1,888	38	31	–	1,784	38	31	–	1,935	38	32	–
Manufacturing	7,384	35	14	2	7,167	36	11	2	7,374	21	10	1
Wholesale	3,366	32	27	–	3,197	33	27	2	3,241	35	26	1
Retail	3,559	27	18	1	3,580	23	18	(1)	3,494	30	19	–
Transportation	2,403	7	7	–	2,309	9	7	–	2,209	8	7	–
Communications	2,792	11	8	–	2,279	11	8	1	1,830	11	10	2
Financial Services	10,825	6	4	–	10,474	8	4	1	10,777	5	3	–
Real Estate and Construction												
Real Estate ⁽⁷⁾	24,288	26	6	1	23,443	30	7	1	22,382	26	6	(1)
Professional Services	2,652	8	4	–	2,435	8	4	–	2,338	9	4	–
Education & Health Care	3,689	118	50	10	3,432	114	41	16	3,412	108	25	23
Other Services	6,784	20	10	1	6,486	19	9	–	6,247	20	9	(6)
Government	1,675	–	–	–	1,600	–	–	–	1,661	–	–	–
Other	6,766	2	–	–	6,277	1	–	(1)	5,790	1	1	–
Total – Non-retail	100,038	372	192	13	95,629	368	179	(14)	92,965	395	199	25
Total excluding POCI loans	216,444	814	337	52	210,972	793	317	19	207,240	812	333	69
POCI loans	390	390	(77)	6	414	414	(82)	8	459	459	(92)	(11)
	216,834	1,204	260	58	211,386	1,207	235	27	207,699	1,271	241	58
Stages 1 and 2 ⁽⁸⁾ – Retail			483	4			476	36			437	8
Stages 1, 2 and 3 ⁽⁸⁾ – Non-retail			492	23			471	23			453	21
Total	216,834	1,204	1,235	85	211,386	1,207	1,182	86	207,699	1,271	1,131	87

(1) The distribution is made according to the categories of borrowers under the Basel asset classes.

(2) All loans classified in Stage 3 of the expected credit loss model and the POCI loans are impaired loans.

(3) Allowances for credit losses on drawn amounts.

(4) Includes residential mortgages on one-to-four-unit dwellings (Basel definition) and home equity lines of credit.

(5) Includes consumer loans and other retail loans but excludes SME loans which are included in Non-retail portfolios.

(6) Includes civil engineering loans, public-private partnership loans, and project finance loans.

(7) Includes residential mortgages on dwellings of five or more units and SME loans.

(8) Includes other financial assets at amortized cost and off-balance-sheet commitments.

Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses by Borrower Category⁽¹⁾ (continued)

(millions of Canadian dollars)

	2022											
	Q3				Q2				Q1			
	Gross loans	Gross impaired loans ⁽²⁾	Allowances for credit losses on impaired loans ⁽³⁾ Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans ⁽²⁾	Allowances for credit losses on impaired loans ⁽³⁾ Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans ⁽²⁾	Allowances for credit losses on impaired loans ⁽³⁾ Stage 3	Provisions for credit losses on impaired loans
Residential mortgages ⁽⁴⁾	93,917	221	48	6	91,948	183	42	6	90,504	163	36	5
Qualifying revolving retail	3,702	14	10	14	3,632	12	9	12	3,454	12	10	12
Other retail ⁽⁵⁾	14,606	86	53	9	14,135	77	52	8	13,414	71	49	5
Total – Retail	112,225	321	111	29	109,715	272	103	26	107,372	246	95	22
Agriculture	7,997	23	2	–	7,749	25	2	(1)	7,567	26	4	–
Oil & Gas	1,146	27	20	(25)	1,438	68	45	–	1,761	68	48	5
Mining	1,006	–	–	–	673	–	–	–	462	–	–	–
Utilities	8,733	34	34	–	8,200	33	33	(1)	7,748	35	34	(1)
<i>Utilities excluding Pipelines</i>	6,419	34	34	–	6,016	33	33	(1)	5,589	35	34	(1)
<i>Pipelines</i>	2,314	–	–	–	2,184	–	–	–	2,159	–	–	–
Construction Non-Real Estate ⁽⁶⁾	1,891	37	32	–	1,810	37	32	5	1,582	37	27	–
Manufacturing	7,157	26	21	–	6,339	26	22	(1)	5,943	31	22	(4)
Wholesale	3,504	29	24	1	2,991	29	24	–	2,595	29	23	–
Retail	3,370	26	19	2	3,358	26	18	–	3,102	26	18	–
Transportation	2,294	7	7	–	2,191	9	7	–	2,002	8	7	–
Communications	1,745	11	8	–	1,699	11	8	–	1,682	19	8	–
Financial Services	10,373	5	3	–	10,168	5	2	–	9,485	5	2	–
Real Estate and Construction												
Real Estate ⁽⁷⁾	21,439	25	9	2	20,047	31	8	–	19,039	35	16	–
Professional Services	2,247	8	4	–	2,163	9	3	–	1,988	8	4	–
Education & Health Care	3,440	5	4	1	3,522	6	3	–	4,076	7	3	1
Other Services	6,290	30	15	7	6,233	23	8	–	6,103	28	10	1
Government	1,353	–	–	–	1,335	–	–	–	1,276	–	–	–
Other	5,330	1	1	–	4,937	1	–	–	4,803	–	–	–
Total – Non-retail	89,315	294	203	(12)	84,853	339	215	2	81,214	362	226	2
Total excluding POCI loans	201,540	615	314	17	194,568	611	318	28	188,586	608	321	24
POCI loans	336	336	(75)	7	376	376	(81)	2	422	422	(82)	8
	201,876	951	239	24	194,944	987	237	30	189,008	1,030	239	32
Stages 1 and 2 ⁽⁸⁾ – Retail			425	15			408	(4)			411	(3)
Stages 1, 2 and 3 ⁽⁸⁾ – Non-retail			429	18			413	(23)			436	(31)
Total	201,876	951	1,093	57	194,944	987	1,058	3	189,008	1,030	1,086	(2)

(1) The distribution is made according to the categories of borrowers under the Basel asset classes.

(2) All loans classified in Stage 3 of the expected credit loss model and the POCI loans are impaired loans.

(3) Allowances for credit losses on drawn amounts.

(4) Includes residential mortgages on one-to-four-unit dwellings (Basel definition) and home equity lines of credit.

(5) Includes consumer loans and other retail loans but excludes SME loans which are included in Non-retail portfolios.

(6) Includes civil engineering loans, public-private partnership loans, and project finance loans.

(7) Includes residential mortgages on dwellings of five or more units and SME loans.

(8) Includes other financial assets at amortized cost and off-balance-sheet commitments.

Residential Mortgages Portfolios Information

(millions of Canadian dollars)

Q2 2023														
	Residential Mortgages Portfolios								Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgage Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾	
	Insured		Uninsured		HELOC		Total		Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Canada			Canada
Quebec	11,305	12.7%	17,842	20.0%	19,284	21.6%	48,431	54.3%	69%	68%	30 % or less	8.7%	0 - 20 years	27.6%
Ontario	6,616	7.4%	12,250	13.7%	6,875	7.7%	25,741	28.8%	71%	63%	31 % - 60 %	42.8%	20 - 25 years	45.7%
Alberta	4,178	4.7%	1,000	1.2%	844	0.9%	6,022	6.8%	72%	70%	61 % - 70 %	17.0%	25 - 30 years	25.9%
British Columbia	1,558	1.7%	1,792	2.0%	1,830	2.1%	5,180	5.8%	63%	61%	71 % - 80 %	16.2%	30 - 35 years	0.8%
New Brunswick	457	0.5%	478	0.6%	292	0.3%	1,227	1.4%	74%	66%	81 % - 90 %	9.6%	35 years and +	0.0%
Saskatchewan	670	0.8%	159	0.2%	200	0.2%	1,029	1.2%	75%	77%	91 % - 95 %	2.3%	Total	100.0%
Manitoba	366	0.4%	130	0.1%	148	0.2%	644	0.7%	69%	74%	96 % or more	3.4%		
Other Canadian provinces ⁽⁷⁾	549	0.6%	201	0.2%	155	0.2%	905	1.0%	66%	57%	Total	100.0%		
USA, Cambodia and others	25,699	28.8%	33,852	38.0%	29,628	33.2%	89,179	100.0%	69%	67%				
Other residential mortgages ⁽⁸⁾	12,019		3,795				15,814							
	37,718	33.4%	45,723	40.4%	29,628	26.2%	113,069	100.0%						

Q1 2023														
	Residential Mortgages Portfolios								Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgage Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾	
	Insured		Uninsured		HELOC		Total		Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Canada			Canada
Quebec	11,555	12.9%	17,741	20.0%	19,108	21.5%	48,404	54.4%	69%	68%	30 % or less	9.1%	0 - 20 years	26.9%
Ontario	6,597	7.4%	12,083	13.6%	6,917	7.8%	25,597	28.8%	71%	60%	31 % - 60 %	45.1%	20 - 25 years	45.8%
Alberta	4,147	4.7%	1,007	1.1%	855	0.9%	6,009	6.7%	73%	73%	61 % - 70 %	17.1%	25 - 30 years	26.6%
British Columbia	1,569	1.8%	1,786	2.0%	1,847	2.0%	5,202	5.8%	66%	60%	71 % - 80 %	15.7%	30 - 35 years	0.7%
New Brunswick	461	0.5%	475	0.5%	292	0.4%	1,228	1.4%	74%	69%	81 % - 90 %	8.3%	35 years and +	0.0%
Saskatchewan	672	0.8%	161	0.2%	202	0.2%	1,035	1.2%	72%	72%	91 % - 95 %	1.9%	Total	100.0%
Manitoba	360	0.4%	129	0.1%	151	0.2%	640	0.7%	67%	66%	96 % or more	2.8%		
Other Canadian provinces ⁽⁷⁾	548	0.6%	203	0.2%	158	0.2%	909	1.0%	72%	62%	Total	100.0%		
USA, Cambodia and others	25,909	29.1%	33,585	37.7%	29,530	33.2%	89,024	100.0%	70%	66%				
Other residential mortgages ⁽⁸⁾	11,164		7,632				14,978							
	37,073	33.2%	45,031	40.3%	29,530	26.5%	111,634	100.0%						

Q4 2022														
	Residential Mortgages Portfolios								Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgage Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾	
	Insured		Uninsured		HELOC		Total		Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Canada			Canada
Quebec	11,767	13.2%	17,670	20.0%	19,005	21.0%	48,442	54.5%	69%	69%	30 % or less	11.0%	0 - 20 years	26.2%
Ontario	6,477	7.3%	11,943	13.4%	6,980	7.9%	25,400	28.6%	72%	60%	31 % - 60 %	49.6%	20 - 25 years	45.8%
Alberta	4,082	4.6%	1,007	1.1%	862	1.0%	5,951	6.7%	71%	71%	61 % - 70 %	17.2%	25 - 30 years	27.1%
British Columbia	1,569	1.8%	1,810	2.0%	1,858	2.1%	5,237	5.9%	66%	60%	71 % - 80 %	14.3%	30 - 35 years	0.9%
New Brunswick	467	0.5%	470	0.6%	293	0.3%	1,230	1.4%	71%	71%	81 % - 90 %	5.4%	35 years and +	0.0%
Saskatchewan	664	0.8%	162	0.2%	207	0.2%	1,033	1.2%	74%	74%	91 % - 95 %	1.1%	Total	100.0%
Manitoba	357	0.4%	131	0.1%	153	0.2%	641	0.7%	69%	75%	96 % or more	1.4%		
Other Canadian provinces ⁽⁷⁾	542	0.6%	202	0.2%	161	0.2%	905	1.0%	72%	64%	Total	100.0%		
USA, Cambodia and others	25,925	29.2%	33,395	37.6%	29,519	33.2%	88,839	100.0%	70%	66%				
Other residential mortgages ⁽⁸⁾	10,146		6,736				14,073							
	36,071	32.9%	44,058	40.2%	29,519	26.9%	109,648	100.0%						

Q3 2022														
	Residential Mortgages Portfolios								Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgage Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾	
	Insured		Uninsured		HELOC		Total		Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Canada			Canada
Quebec	12,029	13.7%	17,470	19.8%	18,509	21.0%	48,008	54.5%	71%	70%	30 % or less	12.7%	0 - 20 years	25.9%
Ontario	6,351	7.2%	11,715	13.3%	6,947	7.9%	25,013	28.4%	72%	61%	31 % - 60 %	51.6%	20 - 25 years	46.2%
Alberta	4,059	4.6%	1,015	1.2%	866	1.0%	5,940	6.8%	74%	70%	61 % - 70 %	17.0%	25 - 30 years	26.6%
British Columbia	1,562	1.8%	1,830	2.1%	1,840	2.1%	5,232	6.0%	66%	60%	71 % - 80 %	13.2%	30 - 35 years	1.4%
New Brunswick	481	0.5%	458	0.6%	287	0.3%	1,226	1.4%	72%	71%	81 % - 90 %	3.4%	35 years and +	0.0%
Saskatchewan	671	0.8%	164	0.2%	207	0.2%	1,042	1.2%	72%	68%	91 % - 95 %	1.1%	Total	100.0%
Manitoba	363	0.4%	130	0.1%	155	0.2%	648	0.7%	70%	70%	96 % or more	1.0%		
Other Canadian provinces ⁽⁷⁾	545	0.6%	201	0.2%	158	0.2%	904	1.0%	77%	70%	Total	100.0%		
USA, Cambodia and others	26,061	29.6%	32,983	37.5%	28,969	32.9%	88,013	100.0%	71%	67%				
Other residential mortgages ⁽⁸⁾	9,277		5,904				13,188							
	35,338	33.0%	42,798	40.0%	28,969	27.0%	107,105	100.0%						

(1) Excluding non-Canadian mortgages.

(2) Includes HELOC.

(3) Property values are updated using Teranet National Bank sub-indices by area and property type.

(4) Excludes amortization for the HELOC's amortized portion. The remaining amortization period is being disclosed.

(5) LTV is calculated using the outstanding amount and weighted by the outstanding of each loan.

(6) LTV is calculated using the authorized amount and weighted by the authorized amount of each line. Includes both revolving and amortized portions.

(7) Others include: Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon.

(8) Includes residential mortgages of 5 units and more and non-retail residential mortgages of 1 to 4 units.

Residential Mortgages Portfolios Information (continued)

(millions of Canadian dollars)

Q2 2022														
	Residential Mortgages Portfolios							Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgages Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾		
	Insured	Uninsured	HELOC	Total	Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Total	Canada	Canada		Canada			
Quebec	12,031	14.0%	16,939	19.7%	17,818	20.6%	46,788	54.3%	71%	71%	30% or less	11.0%	0 - 20 years	26.4%
Ontario	6,386	7.4%	11,300	13.1%	6,796	7.9%	24,482	28.4%	70%	61%	31% - 60%	49.3%	20 - 25 years	46.9%
Alberta	4,023	4.7%	1,015	1.2%	875	1.0%	5,913	6.9%	74%	68%	61% - 70%	17.6%	25 - 30 years	25.2%
British Columbia	1,594	1.8%	1,822	2.1%	1,768	2.1%	5,184	6.0%	65%	59%	71% - 80%	15.5%	30 - 35 years	1.5%
New Brunswick	492	0.6%	451	0.5%	277	0.3%	1,220	1.4%	76%	66%	81% - 90%	4.2%	35 years and +	0.0%
Saskatchewan	672	0.8%	162	0.2%	212	0.2%	1,046	1.2%	73%	78%	91% - 95%	1.3%	Total	100.0%
Manitoba	370	0.4%	131	0.2%	154	0.2%	655	0.8%	73%	71%	96% or more	1.1%		
Others Canadian provinces ⁽⁷⁾	548	0.6%	200	0.2%	152	0.2%	900	1.0%	74%	66%	Total	100.0%		
USA, Cambodia and others	26,116	30.3%	32,020	37.2%	28,052	32.5%	86,188	100.0%	71%	67%				
Other residential mortgages ⁽⁸⁾	8,037		5,760				5,760							
	34,153	32.8%	41,782	40.2%	28,052	27.0%	103,987	100.0%						

Q1 2022														
	Residential Mortgages Portfolios							Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgages Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾		
	Insured	Uninsured	HELOC	Total	Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Total	Canada	Canada		Canada			
Quebec	12,533	14.8%	16,456	19.4%	17,174	20.2%	46,163	54.4%	71%	71%	30% or less	9.5%	0 - 20 years	26.8%
Ontario	6,527	7.7%	10,733	12.7%	6,555	7.7%	23,815	28.1%	71%	63%	31% - 60%	48.5%	20 - 25 years	48.3%
Alberta	4,038	4.8%	1,002	1.2%	872	1.0%	5,912	7.0%	72%	71%	61% - 70%	17.8%	25 - 30 years	23.6%
British Columbia	1,622	1.9%	1,767	2.1%	1,734	2.0%	5,123	6.0%	68%	61%	71% - 80%	16.8%	30 - 35 years	1.3%
New Brunswick	521	0.6%	441	0.5%	270	0.4%	1,232	1.5%	70%	70%	81% - 90%	4.6%	35 years and +	0.0%
Saskatchewan	683	0.8%	169	0.2%	211	0.2%	1,063	1.2%	73%	75%	91% - 95%	1.5%	Total	100.0%
Manitoba	382	0.4%	124	0.1%	153	0.2%	659	0.7%	77%	68%	96% or more	1.3%		
Others Canadian provinces ⁽⁷⁾	569	0.7%	194	0.2%	151	0.2%	914	1.1%	69%	68%	Total	100.0%		
USA, Cambodia and others	26,875	31.7%	30,886	36.4%	27,120	31.9%	84,881	100.0%	71%	68%				
Other residential mortgages ⁽⁸⁾	7,115		5,623				5,623							
	33,990	33.5%	40,373	39.8%	27,120	26.7%	101,483	100.0%						

Q4 2021														
	Residential Mortgages Portfolios							Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgages Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾		
	Insured	Uninsured	HELOC	Total	Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Total	Canada	Canada		Canada			
Quebec	12,719	15.2%	16,048	19.2%	16,794	20.0%	45,561	54.4%	71%	71%	30% or less	7.1%	0 - 20 years	26.6%
Ontario	6,712	8.0%	10,109	12.1%	6,468	7.7%	23,289	27.8%	72%	64%	31% - 60%	48.0%	20 - 25 years	49.0%
Alberta	4,065	4.9%	988	1.2%	876	1.0%	5,929	7.1%	72%	71%	61% - 70%	18.5%	25 - 30 years	22.9%
British Columbia	1,686	2.0%	1,699	2.0%	1,687	2.1%	5,072	6.1%	66%	62%	71% - 80%	16.5%	30 - 35 years	1.5%
New Brunswick	537	0.6%	430	0.5%	268	0.4%	1,235	1.5%	72%	72%	81% - 90%	4.9%	35 years and +	0.0%
Saskatchewan	708	0.8%	167	0.2%	207	0.2%	1,082	1.2%	74%	64%	91% - 95%	1.8%	Total	100.0%
Manitoba	386	0.5%	122	0.1%	154	0.2%	662	0.8%	74%	74%	96% or more	1.3%		
Others Canadian provinces ⁽⁷⁾	585	0.7%	186	0.2%	150	0.2%	921	1.1%	74%	70%	Total	100.0%		
USA, Cambodia and others	27,398	32.7%	29,749	35.5%	26,604	31.8%	83,751	100.0%	71%	68%				
Other residential mortgages ⁽⁸⁾	6,332		5,284				5,284							
	33,730	34.0%	38,812	39.1%	26,604	26.9%	99,146	100.0%						

Q3 2021														
	Residential Mortgages Portfolios							Average LTV for mortgages originated and acquired during the quarter ⁽¹⁾		Residential Mortgages ⁽²⁾ exposure groups by LTV buckets ⁽³⁾⁽⁴⁾		Residential Mortgages Portfolios (remaining amortization) ⁽⁵⁾⁽⁶⁾		
	Insured	Uninsured	HELOC	Total	Uninsured ⁽⁷⁾	HELOC ⁽⁸⁾	Total	Canada	Canada		Canada			
Quebec	12,937	15.7%	15,478	18.8%	16,325	19.9%	44,740	54.4%	72%	72%	30% or less	8.5%	0 - 20 years	27.6%
Ontario	6,904	8.4%	9,336	11.4%	6,309	7.6%	22,549	27.4%	71%	65%	31% - 60%	47.4%	20 - 25 years	49.5%
Alberta	4,156	5.1%	957	1.2%	879	1.1%	5,992	7.4%	73%	70%	61% - 70%	18.4%	25 - 30 years	21.4%
British Columbia	1,762	2.1%	1,603	2.0%	1,658	2.0%	5,023	6.1%	69%	62%	71% - 80%	16.8%	30 - 35 years	1.5%
New Brunswick	552	0.7%	416	0.5%	265	0.3%	1,233	1.5%	74%	73%	81% - 90%	5.5%	35 years and +	0.0%
Saskatchewan	725	0.9%	167	0.2%	207	0.2%	1,099	1.3%	76%	72%	91% - 95%	1.8%	Total	100.0%
Manitoba	391	0.5%	121	0.1%	154	0.2%	666	0.8%	69%	73%	96% or more	1.6%		
Others Canadian provinces ⁽⁷⁾	598	0.7%	168	0.2%	148	0.2%	914	1.1%	73%	71%	Total	100.0%		
USA, Cambodia and others	28,025	34.1%	28,246	34.4%	25,945	31.5%	82,216	100.0%	72%	69%				
Other residential mortgages ⁽⁸⁾	5,852		5,186				5,186							
	33,877	34.9%	37,234	38.4%	25,945	26.7%	97,056	100.0%						

(1) Excludes non-Canadian mortgages.

(2) Includes HELOC.

(3) Property values are updated using Teranet-National Bank sub-indices by area and property type.

(4) Excludes amortization for the HELOC's amortized portion. The remaining amortization period is being disclosed.

(5) LTV is calculated using the outstanding amount and weighted by the outstanding of each loan.

(6) LTV is calculated using the authorized amount and weighted by the authorized amount of each line. Includes both revolving and amortized portions.

(7) Others include: Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon.

(8) Includes residential mortgages of 5 units and more and non-retail residential mortgages of 1 to 4 units.

Geographic Distribution of Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses⁽¹⁾

(millions of Canadian dollars)

	2023						2022		
	Q2			Q1			Q4		
	Gross loans ⁽²⁾	Gross impaired loans ⁽³⁾	Allowance for credit losses on impaired loans ⁽⁴⁾ Stage 3	Gross loans ⁽²⁾	Gross impaired loans ⁽³⁾	Allowance for credit losses on impaired loans ⁽⁴⁾ Stage 3	Gross loans ⁽²⁾	Gross impaired loans ⁽³⁾	Allowance for credit losses on impaired loans ⁽⁴⁾ Stage 3
Canada									
Residential mortgages ⁽⁵⁾	89,179	98	12	89,024	100	12	88,839	89	11
Qualifying revolving retail	3,825	20	14	3,664	17	13	3,801	16	12
Other retail ⁽⁶⁾	11,414	82	54	11,216	77	52	11,258	74	50
Non-retail ⁽⁷⁾	86,572	362	184	82,685	358	170	80,227	378	187
	190,990	562	264	186,589	552	247	184,125	557	260
United States									
Residential mortgages ⁽⁵⁾	2,761	10	4	2,505	9	4	1,599	5	2
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail ⁽⁶⁾	728	5	5	799	5	4	773	3	3
Non-retail ⁽⁷⁾	11,915	6	6	11,661	6	6	11,635	7	7
	15,404	21	15	14,965	20	14	14,007	15	12
Europe									
Non-retail ⁽⁷⁾	322	-	-	316	-	1	346	6	4
Others									
Residential mortgages ⁽⁵⁾	5,315	194	50	5,127	191	48	5,137	205	51
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail ⁽⁶⁾	3,184	33	6	3,008	26	5	2,868	25	5
Non-retail ⁽⁷⁾	1,229	4	2	967	4	2	757	4	1
	9,728	231	58	9,102	221	55	8,762	234	57
Total excluding POCI loans	216,444	814	337	210,972	793	317	207,240	812	333
POCI loans	390	390	(77)	414	414	(82)	459	459	(92)
	216,834	1,204	260	211,386	1,207	235	207,699	1,271	241
Stages 1 and 2 ⁽⁸⁾ – Retail			483			476			437
Stages 1, 2 and 3 ⁽⁸⁾ – Non-retail			492			471			453
	216,834	1,204	1,235	211,386	1,207	1,182	207,699	1,271	1,131
	2022						Q1		
	Q3			Q2			Q1		
	Gross loans ⁽²⁾	Gross impaired loans ⁽³⁾	Allowance for credit losses on impaired loans ⁽⁴⁾ Stage 3	Gross loans ⁽²⁾	Gross impaired loans ⁽³⁾	Allowance for credit losses on impaired loans ⁽⁴⁾ Stage 3	Gross loans ⁽²⁾	Gross impaired loans ⁽³⁾	Allowance for credit losses on impaired loans ⁽⁴⁾ Stage 3
Canada									
Residential mortgages ⁽⁵⁾	88,013	77	9	86,188	78	10	84,881	91	10
Qualifying revolving retail	3,702	14	10	3,632	12	9	3,454	12	10
Other retail ⁽⁶⁾	11,283	68	48	11,034	68	47	10,734	65	46
Non-retail ⁽⁷⁾	77,972	268	183	74,323	316	196	71,096	338	207
	180,970	427	250	175,177	474	262	170,165	506	273
United States									
Residential mortgages ⁽⁵⁾	1,077	4	2	914	11	4	920	11	4
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail ⁽⁶⁾	746	2	2	755	4	3	728	4	3
Non-retail ⁽⁷⁾	10,258	16	16	9,512	16	16	9,207	16	16
	12,081	22	20	11,181	31	23	10,855	31	23
Europe									
Non-retail ⁽⁷⁾	348	6	2	330	3	2	300	5	2
Others									
Residential mortgages ⁽⁵⁾	4,827	140	37	4,846	94	28	4,703	61	22
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail ⁽⁶⁾	2,577	16	3	2,346	5	2	1,952	2	-
Non-retail ⁽⁷⁾	737	4	2	688	4	1	611	3	1
	8,141	160	42	7,880	103	31	7,266	66	23
Total excluding POCI loans	201,540	615	314	194,568	611	318	188,586	608	321
POCI loans	336	336	(75)	376	376	(81)	422	422	(82)
	201,876	951	239	194,944	987	237	189,008	1,030	239
Stages 1 and 2 ⁽⁸⁾ – Retail			425			408			411
Stages 1, 2 and 3 ⁽⁸⁾ – Non-retail			429			413			436
	201,876	951	1,093	194,944	987	1,058	189,008	1,030	1,086

(1) Geographic information based on borrower address (country).

(2) Gross loans comprise securitized assets.

(3) All loans classified in Stage 3 of the expected credit loss model and the POCI loans are impaired loans.

(4) Allowances for credit losses are based on drawn amounts.

(5) Includes residential mortgages on one-to-four dwellings (Basel definition) and home equity lines of credit.

(6) Includes consumer loans and other retail loans but excludes SME loans which are included in Non-retail portfolios.

(7) Includes residential mortgages on dwellings of five or more units and SME loans.

(8) Includes other financial assets at amortized cost and off-balance-sheet commitments.

Impaired Loans by Business Segment⁽¹⁾

(millions of Canadian dollars)

	2023		2022				2021			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Gross Impaired Loans⁽²⁾										
Personal and Commercial										
Personal Banking	199	194	176	157	154	165	169	180	195	235
Commercial Banking	217	213	206	215	229	253	244	257	260	307
Wealth Management	9	13	21	19	25	23	23	13	13	7
Financial Markets	143	138	167	58	85	86	162	193	210	156
U.S. Specialty Finance and International										
Credigy	15	14	8	6	15	15	13	13	13	13
ABA Bank	231	221	234	160	103	66	51	43	40	39
Other	–	–	–	–	–	–	–	–	–	–
Gross impaired loans excluding POCI loans⁽³⁾	814	793	812	615	611	608	662	699	731	757
POCI loans (USSF&I – Credigy)	390	414	459	336	376	422	464	534	598	722
	1,204	1,207	1,271	951	987	1,030	1,126	1,233	1,329	1,479
Gross impaired loans excluding POCI loans as a % of total loans and acceptances⁽³⁾	0.38%	0.38%	0.39%	0.30%	0.31%	0.32%	0.36%	0.39%	0.42%	0.45%
Gross impaired loans as a % of total loans and acceptances⁽³⁾	0.56%	0.57%	0.61%	0.47%	0.51%	0.54%	0.61%	0.69%	0.77%	0.88%

	2023		2022				2021			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net Impaired Loans⁽²⁾⁽³⁾⁽⁴⁾										
Personal and Commercial										
Personal Banking	121	120	104	92	91	102	106	115	127	160
Commercial Banking	96	95	89	76	100	114	107	109	108	148
Wealth Management	5	8	15	12	19	16	16	7	7	3
Financial Markets	76	81	91	1	3	4	14	47	76	59
U.S. Specialty Finance and International										
Credigy	6	6	3	2	8	8	9	9	8	8
ABA Bank	173	166	177	118	72	43	31	25	23	22
Other	–	–	–	–	–	–	–	–	–	–
Net impaired loans excluding POCI loans⁽³⁾	477	476	479	301	293	287	283	312	349	400
POCI loans (USSF&I – Credigy)	467	496	551	411	457	504	553	621	648	776
	944	972	1,030	712	750	791	836	933	997	1,176
Net impaired loans excluding POCI loans as a % of total loans and acceptances⁽³⁾	0.22%	0.23%	0.23%	0.15%	0.15%	0.15%	0.15%	0.17%	0.20%	0.24%
Net impaired loans as a % of total loans and acceptances⁽³⁾	0.44%	0.46%	0.50%	0.35%	0.39%	0.42%	0.46%	0.52%	0.58%	0.70%

(1) All loans classified in Stage 3 of the expected credit loss model and the POCI loans are impaired loans.

(2) Including customer's liability under acceptances.

(3) For details on the composition of these measures, see the Glossary section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(4) Net impaired loans are presented net of allowances for credit losses on Stage 3 loans amount drawn.

Formation of Gross Impaired Loans Excluding POCI Loans⁽¹⁾

(millions of Canadian dollars)

Formation of Gross Impaired Loans Excluding POCI Loans ⁽¹⁾⁽²⁾ (by sector)	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Balance at beginning	793	812	615	611	608	662	699	731	757	817	812	662	662	817
Write-offs														
Personal and Commercial														
Personal Banking	(8)	(8)	(8)	(8)	(8)	(9)	(11)	(11)	(16)	(17)	(16)	(17)	(33)	(55)
Credit card	(20)	(18)	(17)	(15)	(15)	(15)	(14)	(14)	(16)	(15)	(38)	(30)	(62)	(59)
Commercial Banking	(2)	(5)	(22)	(1)	(14)	(1)	(11)	(10)	(10)	(8)	(7)	(15)	(38)	(39)
Wealth Management	(1)	-	(2)	-	-	-	-	-	-	-	(1)	-	(2)	-
Financial Markets	-	-	(10)	-	-	(66)	-	-	-	(19)	-	(66)	(76)	(19)
U.S. Specialty Finance and International														
Credigy	(13)	(9)	(8)	(6)	(5)	(3)	(2)	(4)	(6)	(8)	(22)	(8)	(22)	(20)
ABA Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(44)	(40)	(67)	(30)	(42)	(94)	(38)	(39)	(48)	(67)	(84)	(136)	(233)	(192)
Formation														
Personal and Commercial														
Personal Banking	13	26	27	11	(3)	5	-	(4)	(24)	(35)	39	2	40	(63)
Credit card	20	18	17	15	15	15	14	14	16	15	38	30	62	59
Commercial Banking	6	12	13	(13)	(10)	10	(2)	7	(37)	(18)	18	-	-	(50)
Wealth Management	(3)	(8)	4	(6)	2	-	10	-	6	(1)	(11)	2	-	15
Financial Markets	5	(29)	119	(27)	(1)	(10)	(31)	(17)	54	41	(24)	(11)	81	47
U.S. Specialty Finance and International														
Credigy	14	15	10	(3)	5	5	2	4	6	6	29	10	17	18
ABA Bank	10	(13)	74	57	37	15	8	3	1	(1)	(3)	52	183	11
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	65	21	264	34	45	40	1	7	22	7	86	85	383	37
Balance at end	814	793	812	615	611	608	662	699	731	757	814	611	812	662

Formation of Gross Impaired Loans Excluding POCI Loans ⁽¹⁾⁽²⁾ (by activity)	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Balance at beginning	793	812	615	611	608	662	699	731	757	817	812	662	662	817
Classified as credit-impaired during the period	175	197	322	174	137	137	104	142	179	169	372	274	770	594
Transferred to performing loans during the period	(68)	(74)	(30)	(33)	(25)	(25)	(22)	(26)	(41)	(78)	(142)	(50)	(113)	(167)
Net repayments	(47)	(95)	(46)	(106)	(69)	(75)	(80)	(111)	(111)	(79)	(142)	(144)	(296)	(381)
Disposals of loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	(44)	(40)	(67)	(30)	(42)	(94)	(38)	(39)	(48)	(67)	(84)	(136)	(233)	(192)
Exchange and other movements	5	(7)	18	(1)	2	3	(1)	2	(5)	(5)	(2)	5	22	(9)
Balance at end	814	793	812	615	611	608	662	699	731	757	814	611	812	662

(1) For details on the composition of these measures, see the Glossary section in the Report to Shareholders for the Second Quarter of 2023, which is available on the Bank's website at nbc.ca or the SEDAR website at sedar.com.

(2) Including customer's liability under acceptances.

Reconciliation of Allowances for Credit Losses

(millions of Canadian dollars)

	2023		2022				2021				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Stage 3														
Balance at beginning	318	333	314	318	321	379	388	382	357	352	333	379	379	352
Provisions for credit losses	52	20	69	17	28	24	19	34	65	65	72	52	138	183
Write-offs	(44)	(40)	(67)	(30)	(42)	(94)	(38)	(39)	(48)	(67)	(84)	(136)	(233)	(192)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	10	9	10	8	12	10	10	11	11	12	19	22	40	44
Foreign exchange movements and other	1	(4)	7	1	(1)	2	-	-	(3)	(5)	(3)	1	9	(8)
Balance at end	337	318	333	314	318	321	379	388	382	357	337	318	333	379
Stage 1 and 2														
Balance at beginning	946	890	854	821	847	879	938	977	1,051	1,057	890	879	879	1,057
Provisions for credit losses	27	58	29	33	(27)	(34)	(58)	(41)	(62)	6	85	(61)	1	(155)
Write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	(7)	(7)	-	-	-	(14)
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange movements and other	2	(2)	7	-	1	2	(1)	2	(5)	(5)	-	3	10	(9)
Balance at end	975	946	890	854	821	847	879	938	977	1,051	975	821	890	879
POCI														
Balance at beginning	(82)	(92)	(75)	(81)	(82)	(89)	(87)	(50)	(54)	(66)	(92)	(89)	(89)	(66)
Provisions for credit losses	6	8	(11)	7	2	8	(2)	(36)	2	10	14	10	6	(26)
Write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange movements and other	(1)	2	(6)	(1)	(1)	(1)	-	(1)	2	2	1	(2)	(9)	3
Balance at end	(77)	(82)	(92)	(75)	(81)	(82)	(89)	(87)	(50)	(54)	(77)	(81)	(92)	(89)
Total allowances for credit losses by stage														
Stage 3	337	318	333	314	318	321	379	388	382	357				
Stage 1 and 2	975	946	890	854	821	847	879	938	977	1,051				
POCI	(77)	(82)	(92)	(75)	(81)	(82)	(89)	(87)	(50)	(54)				
	1,235	1,182	1,131	1,093	1,058	1,086	1,169	1,239	1,309	1,354				
Total allowances for credit losses														
Loans and acceptances at amortized cost														
Amounts drawn	1,070	1,007	955	952	915	928	998	1,054	1,114	1,149				
Undrawn commitments ⁽¹⁾	131	142	143	113	115	130	143	159	173	177				
Other ⁽²⁾	34	33	33	28	28	28	28	26	22	28				
	1,235	1,182	1,131	1,093	1,058	1,086	1,169	1,239	1,309	1,354				
Total allowances for credit losses by stage (excluding USSF&I)														
Stage 3	270	255	271	268	280	291	355	366	360	335				
Stage 1 and 2	830	809	767	740	717	741	778	839	879	934				
	1,100	1,064	1,038	1,008	997	1,032	1,133	1,205	1,239	1,269				

(1) The allowances for credit losses on undrawn commitments are reported in the *Other liabilities* item of the Consolidated Balance Sheet.

(2) Includes other financial assets at amortized cost and off-balance-sheet items other than undrawn commitments.

Provisions for Credit Losses

(millions of Canadian dollars)

		2023		2022				2021				YTD		Full Year	
		Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2022	2021
Personal and Commercial															
Personal Banking:	Stage 3	10	9	12	7	5	6	5	5	5	8	19	11	30	23
	Stages 1 and 2	2	7	5	6	(4)	(5)	(8)	(8)	(7)	(7)	9	(9)	2	(30)
		12	16	17	13	1	1	(3)	(3)	(2)	1	28	2	32	(7)
Credit card:	Stage 3	16	15	12	12	10	11	10	10	12	10	31	21	45	42
	Stages 1 and 2	2	11	5	3	(1)	-	(16)	(20)	(12)	1	13	(1)	7	(47)
		18	26	17	15	9	11	(6)	(10)	-	11	44	20	52	(5)
Commercial Banking:	Stage 3	3	6	(3)	11	3	2	(1)	6	2	19	9	5	13	26
	Stages 1 and 2	4	13	11	10	(2)	(19)	5	24	(17)	14	17	(21)	-	26
		7	19	8	21	1	(17)	4	30	(15)	33	26	(16)	13	52
Wealth Management															
	Stage 3	-	(1)	1	1	(1)	-	1	-	2	(2)	(1)	(1)	1	1
	Stages 1 and 2	-	1	1	-	1	-	-	-	-	-	1	1	2	-
		-	-	2	1	-	-	1	-	2	(2)	-	-	3	1
Financial Markets															
	Stage 3	9	(18)	27	(25)	-	(1)	2	11	39	26	(9)	(1)	1	78
	Stages 1 and 2	10	9	5	2	(16)	(15)	(42)	(36)	(18)	(6)	19	(31)	(24)	(102)
		19	(9)	32	(23)	(16)	(16)	(40)	(25)	21	20	10	(32)	(23)	(24)
U.S. Specialty Finance and International															
Credigy:	Stage 3	11	10	8	-	4	3	-	1	4	5	21	7	15	10
	Stages 1 and 2	3	13	1	12	(2)	3	2	(10)	(18)	1	16	1	14	(25)
	POCI	6	8	(11)	7	2	8	(2)	(36)	2	10	14	10	6	(26)
		20	31	(2)	19	4	14	-	(45)	(12)	16	51	18	35	(41)
ABA Bank:	Stage 3	3	(1)	12	11	7	3	2	1	1	(1)	2	10	33	3
	Stages 1 and 2	3	5	-	(1)	(2)	1	1	9	10	3	8	(1)	(2)	23
		6	4	12	10	5	4	3	10	11	2	10	9	31	26
Other															
	Stage 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Stages 1 and 2	3	(1)	1	1	(1)	1	-	-	-	-	2	-	2	-
		3	(1)	1	1	(1)	1	-	-	-	-	2	-	2	-
		85	86	87	57	3	(2)	(41)	(43)	5	81	171	1	145	2
Total															
	Stage 3	52	20	69	17	28	24	19	34	65	65	72	52	138	183
	Stages 1 and 2	27	58	29	33	(27)	(34)	(58)	(41)	(62)	6	85	(61)	1	(155)
	POCI	6	8	(11)	7	2	8	(2)	(36)	2	10	14	10	6	(26)
		85	86	87	57	3	(2)	(41)	(43)	5	81	171	1	145	2
Excluding USSF&I															
	Stage 3	38	11	49	6	17	18	17	32	60	61	49	35	90	170
	Stages 1 and 2	21	40	28	22	(23)	(38)	(61)	(40)	(54)	2	61	(61)	(11)	(153)
		59	51	77	28	(6)	(20)	(44)	(8)	6	63	110	(26)	79	17

Derivatives Financial Instruments According to Basel Definition

(millions of Canadian dollars)

	2023		2022			
	Q2	Q1	Q4	Q3	Q2	Q1
Under Basel III						
Foreign Exchange Related Contracts						
Swaps	542,053	458,474	517,335	402,486	540,824	451,634
Options						
- purchased	38,474	31,920	32,611	21,557	20,329	16,635
- sold	45,859	42,139	39,676	27,610	24,144	18,821
Exchange traded and OTC futures contracts	68,648	84,077	84,398	52,640	54,129	57,718
Total notional amount	695,034	616,610	674,020	504,293	639,426	544,808
Replacement cost - net ⁽¹⁾	829	611	1,361	431	792	689
Future credit risk	3,016	2,515	2,872	2,261	2,858	2,840
Credit equivalent ⁽²⁾	5,382	4,376	5,926	3,770	5,111	4,941
Risk-weighted equivalent ⁽³⁾	1,568	1,397	1,747	1,148	1,489	1,452
Interest Rate Related Contracts						
Swaps	1,081,564	956,151	1,061,572	987,415	850,786	891,596
Options						
- purchased	7,306	7,153	9,078	12,984	25,665	21,440
- sold	9,926	11,244	11,363	14,364	17,722	15,324
Exchange traded and OTC futures contracts	9,449	9,865	11,200	11,836	10,942	8,008
Total notional amount	1,108,245	984,413	1,093,213	1,026,599	905,115	936,368
Replacement cost - net ⁽¹⁾	259	188	260	212	262	392
Future credit risk	1,296	1,086	1,625	1,603	1,617	1,853
Credit equivalent ⁽²⁾	2,177	1,784	2,639	2,542	2,630	3,142
Risk-weighted equivalent ⁽³⁾	627	543	482	505	439	668
Financial Futures						
Total notional amount	180,850	155,468	135,788	110,941	156,411	168,558
Equity and Commodity Contracts						
Total notional amount	141,831	132,122	144,995	154,666	153,057	167,737
Replacement cost - net ⁽¹⁾	815	971	1,049	2,257	5,960	3,337
Future credit risk	3,539	3,318	3,640	3,957	4,419	4,966
Credit equivalent ⁽²⁾	6,096	6,005	6,564	8,699	14,530	11,624
Risk-weighted equivalent ⁽³⁾	1,475	1,517	1,694	2,154	2,861	2,849
Credit Derivatives						
Total notional amount (trading only)	6,547	5,458	4,565	3,670	2,987	3,529
Total Return Swap Notional Amount ⁽⁴⁾	126	126	122	125	83	83
Replacement cost - net ⁽¹⁾	1	-	-	-	4	2
Future credit risk	5	3	4	120	71	82
Credit equivalent ⁽²⁾	8	4	5	168	105	117
Risk-weighted equivalent ⁽³⁾	4	2	2	152	38	3
Total Derivatives						
Total notional amount	2,132,633	1,894,197	2,052,703	1,800,294	1,857,079	1,821,083
Replacement cost - net ⁽¹⁾	1,904	1,770	2,670	2,900	7,018	4,420
Future credit risk	7,856	6,922	8,141	7,941	8,965	9,741
Credit equivalent ⁽²⁾	13,663	12,169	15,134	15,179	22,376	19,824
Risk-weighted equivalent ⁽³⁾	3,674	3,459	3,925	3,959	4,827	4,972

(1) Net replacement cost is gross positive replacement cost with consideration of master netting agreements without consideration of collateral.

(2) Credit equivalent amounts reported are net of impact of collaterals and master netting agreements and are presented after the alpha of 1.4.

(3) Risk weighted amounts reported are net of impact of collaterals and master netting agreements.

(4) Securitised exposure recognized for capital ratio but not for consolidated balance sheet purposes due to IFRS standards.

Over the Counter Derivatives Financial Instruments Settled by Central Counterparties⁽¹⁾

(millions of Canadian dollars)

	2023						2022		
	Q2			Q1			Q4		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	
Interest rate contracts	181,832	926,668	180,595	155,506	805,105	179,270	140,151	918,068	170,782
Foreign exchange contracts	21	–	695,013	27	–	616,583	18	–	674,002
Equity, commodity and credit derivative contracts	44,478	5,409	98,617	36,140	5,067	96,499	48,298	4,623	96,761

	2022								
	Q3			Q2			Q1		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	
Interest rate contracts	118,502	850,089	168,949	184,486	711,761	165,279	190,754	752,672	161,500
Foreign exchange contracts	34	–	504,259	70	–	639,356	34	–	544,774
Equity, commodity and credit derivative contracts	54,030	3,665	100,766	56,468	3,481	96,178	61,731	4,083	105,535

(1) Notional amounts.

Composition of Regulatory Capital⁽¹⁾

(millions of Canadian dollars)

		2023		2022			
		Q2	Q1	Q4	Q3	Q2	
		Reference ⁽²⁾					
Common Equity Tier 1 capital: instruments and reserves							
1	Directly issued qualifying common share capital plus related contributed surplus ⁽³⁾	a + a'	3,320	3,291	3,252	3,244	3,245
2	Retained earnings	b	15,943	15,470	15,140	14,994	14,293
3	Accumulated other comprehensive income and other reserves	c	207	102	202	27	54
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)						
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	d	-	-	-	-	-
6	Common Equity Tier 1 capital before regulatory adjustments		19,470	18,863	18,594	18,265	17,592
Regulatory adjustments to Common Equity Tier 1 capital							
7	Prudential valuation adjustments		-	-	-	-	-
8	Goodwill (net of related tax liability)	e - w	(1,605)	(1,599)	(1,598)	(1,586)	(1,589)
9	Other intangible other than mortgage-servicing rights (net of related tax liability)	f - x	(1,121)	(1,116)	(1,133)	(1,132)	(1,118)
10	Deferred tax assets excluding those arising from temporary differences (net of related tax liability)	g	(46)	(41)	(39)	(38)	(33)
11	Accumulated other comprehensive income related to cash flow hedges	h	(36)	(15)	(31)	(71)	(73)
12	Shortfall of provisions to expected losses	i	-	-	-	-	-
13	Securitization gain on sale		-	-	-	-	-
14	Gains (losses) due to changes in own credit risk on fair valued liabilities	j	(455)	(466)	(694)	(634)	(377)
15	Defined benefit pension fund net assets (net of related tax liability)	k - y	(309)	(296)	(336)	(583)	(612)
16	Investments in own shares (if not already netted off contributed surplus on reported balance sheet)		-	-	-	-	-
17	Reciprocal cross holdings in common equity		-	-	-	-	-
18	Non-significant investments in capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)	l	-	-	-	-	-
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	m	-	-	-	-	-
20	Mortgage servicing rights (amount above 10% threshold)		-	-	-	-	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		-	-	-	-	-
22	Amount exceeding the 15% threshold		-	-	-	-	-
23	Of which: significant investments in the common stock of financials	n	-	-	-	-	-
24	Of which: mortgage servicing rights		-	-	-	-	-
25	Of which: deferred tax assets arising from temporary differences	o	-	-	-	-	-
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI		(6)	-	55	49	43
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		-	-	-	-	-
28	Total regulatory adjustments to Common equity Tier 1		(3,578)	(3,533)	(3,776)	(3,995)	(3,759)
29	Common Equity Tier 1 capital (CET1)⁽⁴⁾		15,892	15,330	14,818	14,270	13,833
29a	CET1 with transitional arrangements for ECL provisioning not applied⁽⁵⁾				14,763	14,221	13,790
Additional Tier 1 capital: instruments							
30	Directly issued qualifying Additional Tier 1 instruments plus related contributed surplus ⁽³⁾		3,150	3,150	3,150	2,650	2,650
31	Of which: classified as equity under applicable accounting standards	v + z	3,150	3,150	3,150	2,650	2,650
32	Of which: classified as liabilities under applicable accounting standards	p	-	-	-	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1		-	-	-	-	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	q	-	-	-	-	-
35	Of which: instruments issued by subsidiaries subject to phase out		-	-	-	-	-
36	Additional Tier 1 capital before regulatory adjustments		3,150	3,150	3,150	2,650	2,650

(1) Since Q2 2023, the information in this table takes into account the implementation of the Basel III reforms requirements.

(2) Reconciliation with Balance Sheet is presented on pages 13 and 14 in *Supplementary Regulatory Capital and Pillar 3 Disclosure – Second Quarter 2023*, which are available on the Bank's website at nbc.ca.

(3) A complete list of capital instruments and their main features is now available on the Bank's website at nbc.ca under *Investor Relations > Capital & Debt Information > Main Features of Regulatory Capital Instruments*.

(4) For the quarters of fiscal 2022, this row included the transitional measure for provisioning expected credit losses (ECL) granted by OSFI. This transitional measure ceased to apply on November 1, 2022.

(5) Since Q1 2023, the transitional measure for provisioning ECL is no longer applicable.

Composition of Regulatory Capital⁽¹⁾ (continued)

(millions of Canadian dollars)

		2023		2022		
		Q2	Q1	Q4	Q3	Q2
		Reference ⁽²⁾				
Additional Tier 1 capital: regulatory adjustments						
37	Investments in own Additional Tier 1 instruments	(5)	(1)	(6)	-	-
38	Reciprocal cross holdings in Additional Tier 1 instruments	-	-	-	-	-
39	Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)	-	-	-	-	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	-	-	-
41	Other deductions from Tier 1 capital as determined by OSFI	-	(1)	(1)	(2)	(2)
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	-	-	-
43	Total regulatory adjustments to Additional Tier 1 capital	(5)	(2)	(7)	(2)	(2)
44	Additional Tier 1 capital (AT1)	3,145	3,148	3,143	2,648	2,648
45	Tier 1 capital (T1 = CET1 + AT1)⁽³⁾	19,037	18,478	17,961	16,918	16,481
45a	Tier 1 Capital with transitional arrangements for ECL provisioning not applied⁽⁴⁾			17,906	16,869	16,438
Tier 2 capital: instruments and allowances						
46	Directly issued qualifying Tier 2 instruments plus related contributed surplus ⁽⁵⁾	r	750	750	1,500	1,500
47	Directly issued capital instruments subject to phase out from Tier 2		-	-	-	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	s	-	-	-	-
49	Of which: instruments issued by subsidiaries subject to phase out		-	-	-	-
50	Allowances for credit losses	t	347	434	358	339
51	Tier 2 capital before regulatory adjustments		1,097	1,184	1,858	1,839
51	Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments		-	-	-	-
53	Reciprocal cross holdings in Tier 2 instruments and Other TLAC-eligible instruments		-	-	-	-
54	Non-significant investments in the capital of banking, financial and insurance entities and Other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs that are outside the scope of regulatory consolidation, where the institution does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		(24)	(178)	(92)	(23)
54a	Non-significant investments in the other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs, where the institution does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but no longer meets the conditions		(24)	(178)	(92)	(23)
55	Significant investments in the capital of banking, financial and insurance entities and Other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs that are outside the scope of regulatory consolidation		-	-	-	-
56	Other deductions from Tier 2 capital		-	-	-	-
57	Total regulatory adjustments to Tier 2 capital		(24)	(178)	(92)	(23)
58	Tier 2 capital (T2)		1,073	1,006	1,766	1,816
59	Total capital (TC = T1 + T2)⁽³⁾		20,110	19,484	19,727	18,734
59a	Total Capital with transitional arrangements for ECL provisioning not applied⁽⁴⁾				19,727	18,734

(1) Since Q2 2023, the information in this table takes into account the implementation of the Basel III reforms requirements.

(2) Reconciliation with Balance Sheet is presented on pages 13 and 14 in *Supplementary Regulatory Capital and Pillar 3 Disclosure – Second Quarter 2023*, which are available on the Bank's website at nbc.ca.

(3) For the quarters of fiscal 2022, this row included the transitional measure for provisioning expected credit losses (ECL) granted by OSFI. This transitional measure ceased to apply on November 1, 2022.

(4) Since Q1 2023, the transitional measure for provisioning ECL is no longer applicable.

(5) A complete list of capital instruments and their main features is now available on the Bank's website at nbc.ca under *Investor Relations > Capital & Debt Information > Main Features of Regulatory Capital Instruments*.

Composition of Regulatory Capital⁽¹⁾ (continued)

(millions of Canadian dollars)

		2023		2022		
		Q2	Q1	Q4	Q3	Q2
60	Total risk-weighted assets	119,111	121,813	116,840	111,377	107,478
60a	Credit Valuation Adjustment (CVA) Risk-weighted assets (RWA)	1,386				
Capital ratios						
61	Common Equity Tier 1 (as a percentage of risk weighted assets) ⁽²⁾	13.3%	12.6%	12.7%	12.8%	12.9%
61a	CET1 Ratio with transitional arrangements for ECL provisioning not applied ⁽³⁾			12.6%	12.8%	12.8%
62	Tier 1 (as a percentage of risk weighted assets) ⁽²⁾	16.0%	15.2%	15.4%	15.2%	15.3%
62a	Tier 1 Capital Ratio with transitional arrangements for ECL provisioning not applied ⁽³⁾			15.3%	15.1%	15.3%
63	Total capital (as a percentage of risk weighted assets) ⁽²⁾	16.9%	16.0%	16.9%	16.8%	16.2%
63a	Total Capital Ratio with transitional arrangements for ECL provisioning not applied ⁽³⁾			16.9%	16.8%	16.2%
64	Institution-specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement expressed as a percentage of risk weighted assets)	8.0%	8.0%	8.0%	8.0%	8.0%
65	Of which: capital conservation buffer requirement	2.5%	2.5%	2.5%	2.5%	2.5%
66	Of which: bank-specific countercyclical buffer	0.0%	0.0%	0.0%	0.0%	0.0%
67	Of which: G-SIB buffer requirement	n.a.	n.a.	n.a.	n.a.	n.a.
67a	Of which: D-SIBs buffer requirement	1.0%	1.0%	1.0%	1.0%	1.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	13.3%	12.6%	12.7%	12.8%	12.9%
OSFI target (minimum + capital conservation buffer + D-SIB buffer)⁽⁴⁾						
69	Common Equity Tier 1 target ratio	8.0%	8.0%	8.0%	8.0%	8.0%
70	Tier 1 capital target ratio	9.5%	9.5%	9.5%	9.5%	9.5%
71	Total capital target ratio	11.5%	11.5%	11.5%	11.5%	11.5%
Amounts below the thresholds for deduction (before risk weighting)						
72	Non-significant investments in the capital and other TLAC-eligible instruments of other financial entities	1,588	1,689	1,084	976	705
73	Significant investments in the common stock of financials	471	437	409	438	419
74	Mortgage servicing rights (net of related tax liability)	–	–	–	–	–
75	Deferred tax assets arising from temporary differences (net of related tax liabilities)	446	401	361	322	316
Applicable caps on the inclusion of allowances in Tier 2						
76	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	91	177	152	139	134
77	Cap on inclusion of allowances in Tier 2 under standardised approach	366	237	224	200	194
78	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (IRB) (prior to application of cap)	256	257	206	200	199
79	Cap on inclusion of allowances in Tier 2 under internal ratings-based approach	436	491	469	452	440

(1) Since Q2 2023, the information in this table takes into account the implementation of the Basel III reforms requirements.

(2) For the quarters of fiscal 2022, this row included the transitional measure for provisioning expected credit losses (ECL) granted by OSFI. This transitional measure ceased to apply on November 1, 2022.

(3) Since Q1 2023, the transitional measure for provisioning ECL is no longer applicable.

(4) Does not include the domestic stability buffer.

Summary Comparison of Accounting Assets vs Leverage Ratio Exposure Measure

(millions of Canadian dollars)

	2023		2022		
	Q2	Q1	Q4	Q3	Q2
Accounting assets vs. leverage ratio exposure					
1 Total consolidated assets as per published financial statements	417,684	418,342	403,740	387,051	369,785
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	21	13	5	35	33
3 Adjustment for securitized exposures that meet the operational requirements for the recognition of risk transference	(78)	(78)	(78)	(78)	(78)
4 Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-	-
5 Adjustment for derivative financial instruments ⁽¹⁾	(1,011)	(2,774)	(4,693)	(402)	(1,559)
6 Adjustment for securities financing transactions (i.e. repos and similar secured lending) ⁽¹⁾	4,671	4,110	3,003	4,296	3,969
7 Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	34,022	34,871	32,871	31,328	30,463
8 Other adjustments ⁽²⁾	(6,725)	(43,335)	(33,068)	(38,870)	(30,636)
9 Leverage Ratio Exposure	448,584	411,149	401,780	383,360	371,977

(1) Adjustments due to differences between accounting and regulatory netting standards.

(2) For the quarters of fiscal 2022 and for Q1 2023, OSFI permitted exclusion of central bank reserves. This exclusion ceased to apply since Q2 2023.

Leverage Ratio Common Disclosure Template⁽¹⁾

(millions of Canadian dollars)

		2023		2022		
		Q2	Q1	Q4	Q3	Q2
Leverage ratio common disclosure						
On-balance sheet exposures						
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	386,742	342,846	333,863	324,351	312,588
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework (IFRS)	–	–	–	–	–
3	(Deductions of receivables assets for cash variation margin provided in derivative transactions)	(3,595)	(5,323)	(5,151)	(3,400)	(4,390)
4	(Asset amounts deducted in determining Tier 1 capital)	(3,129)	(3,071)	(3,145)	(3,594)	(3,609)
5	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 4)	380,018	334,452	325,567	317,357	304,589
Derivative exposures						
6	Replacement cost associated with all derivative transactions	2,649	2,300	3,661	3,521	9,375
7	Add-on amounts for PFE associated with all derivative transactions	9,808	8,690	10,148	9,637	11,790
8	(Exempted CCP leg of client-cleared trade exposures)	–	–	–	–	–
9	Adjusted effective notional amount of written credit derivatives	589	296	44	398	50
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–	–	–	–
11	Total derivative exposures (sum of rows 6 to 10)	13,046	11,286	13,853	13,556	21,215
Securities financing transaction exposures						
12	Gross SFT assets recognized for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	16,827	26,430	26,486	16,823	11,741
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(1,726)	(2,411)	(2,666)	(2,320)	(1,423)
14	CCR exposure for SFTs	6,397	6,521	5,669	6,616	5,392
15	Agent transaction exposures	–	–	–	–	–
16	Total securities financing transaction exposures (sum of rows 12 to 15)	21,498	30,540	29,489	21,119	15,710
Other off-balance sheet exposures						
17	Off-balance sheet exposure at gross notional amount	106,552	104,325	100,113	97,530	95,471
18	(Adjustments for conversion to credit equivalent amounts)	(72,530)	(69,454)	(67,242)	(66,202)	(65,008)
19	Off-balance sheet items (sum of rows 17 and 18)	34,022	34,871	32,871	31,328	30,463
Capital and Total Exposures						
20	Tier 1 capital⁽²⁾	19,037	18,478	17,961	16,918	16,481
20a	Tier 1 Capital with transitional arrangements for ECL provisioning not applied⁽³⁾			17,906	16,869	16,438
21	Total Exposures (sum of rows 5, 11, 16 and 19)	448,584	411,149	401,780	383,360	371,977
Leverage Ratio						
22	Basel III leverage ratio⁽²⁾	4.2%	4.5%	4.5%	4.4%	4.4%
22a	Basel III leverage ratio with transitional arrangements for ECL provisioning not applied⁽³⁾			4.5%	4.4%	4.4%

(1) Since Q2 2023, the information in this table takes into account the implementation of the Basel III reforms requirements.

(2) For the quarters of fiscal 2022, this row included the transitional measure for provisioning expected credit losses (ECL) granted by OSFI. This transitional measure ceased to apply on November 1, 2022.

(3) Since Q1 2023, the transitional measure for provisioning ECL is no longer applicable.