



NATIONAL BANK OF CANADA

(A bank governed by the Bank Act (Canada))

U.S.\$10,000,000,000 Euro Note Programme

This 3rd prospectus supplement (the “**3rd Supplement**”) is supplemental to, forms part of and must be read in conjunction with, the base prospectus dated 11 June 2020, as supplemented by the 1st Supplement dated 28 August 2020 and the 2nd Supplement dated 7 October 2020 (together, the “**Prospectus**”) prepared by National Bank of Canada (the “**Issuer**” or the “**Bank**”) with respect to its U.S.\$10,000,000,000 Euro Note Programme. Capitalised terms used but not otherwise defined in this 3rd Supplement shall have the meaning ascribed thereto in the Prospectus.

Application has been made to the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”), in its capacity as competent authority under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) to approve this 3rd Supplement for use in connection with the issue of Notes (other than Exempt Notes) under the Programme. Application has also been made to the Luxembourg Stock Exchange under the Luxembourg law dated 16 July 2019 on prospectuses for securities, as amended or supplemented (the “**Prospectus Law**”), to approve this 3rd Supplement for use in connection with (i) the issue of money market instruments which have a maturity of less than twelve months to be admitted to the Regulated Market under the Programme pursuant to Part III of the Prospectus Law, and (ii) Exempt Notes under the Programme pursuant to Part IV of the Prospectus Law.

The Issuer accepts responsibility for the information contained in this 3rd Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this 3rd Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This 3rd Supplement has been prepared pursuant to Article 23(1) of the Prospectus Regulation and Article 52 of the Prospectus Law. The following information has been filed with the CSSF and the Luxembourg Stock Exchange, and is incorporated by reference into this 3rd Supplement: (i) the Bank’s 2020 Annual Report, which includes the Issuer’s audited comparative consolidated financial statements for the years ended 31 October 2020 and 2019 (the “**2020 Annual Report**”); and (ii) the Bank’s 2020 Annual Information Form dated 1 December 2020 (the “**2020 Annual Information Form**”). In addition, this 3rd Supplement includes: (a) updating the COVID-19 risk factor in the Prospectus, (b) updates to the disclosure in the Prospectus following the update of the Framework (as defined below); and (c) a new statement in respect of no significant change and no material adverse change.

DOCUMENTS INCORPORATED BY REFERENCE

The following information has been filed with the CSSF and the Luxembourg Stock Exchange, and is incorporated by reference into the Prospectus by this 3rd Supplement: the Bank's 2020 Annual Report and the 2020 Annual Information Form.

The following information appears on the pages of the Bank's 2020 Annual Report and the 2020 Annual Information Form as set out below and such information supplements and amends the table on page 74 of the Prospectus and further updates the list of documents incorporated by reference in the Prospectus:

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2020 Annual Report	
Members of the Office of the President	5
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Risk Disclosures	13
Management's Discussion and Analysis	15 to 122
Economic Review and Outlook	28
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Any information which is not incorporated by reference in the Prospectus (i.e. not included in the cross reference list) is either not relevant to investors or is covered elsewhere in the Prospectus.

The 2020 Annual Report is available at the following link:

<https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/assemblee-annuelle/2021/nbc-annual-report-2020.pdf>

The 2020 Annual Information Form is available at the following link:

<https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/assemblee-annuelle/2021/nbc-aif-agm-2021.pdf>

COVID-19 RISK FACTOR

The risk factor entitled “***COVID-19 has materially impacted and is expected to continue to materially impact, and other epidemics or pandemics may impact, the global economy and/or financial markets***” on page 32 of the Prospectus under the section entitled “**Factors which are material for the purpose of assessing the risks associated with the Bank and which may affect the Bank’s ability to fulfil its obligations under Senior Notes issued under the Programme - (d) Risks relating to the external political, economic and competitive environments of the Bank**” shall be deleted and replaced with the following:

“The COVID-19 pandemic has impacted the global economy, the financial markets and the Bank, and the ultimate impact of the pandemic will depend on future events that are highly uncertain and cannot be predicted

The COVID-19 pandemic has had disruptive and adverse impacts in the countries where the Bank conducts business and, more broadly, on the global economy. Among other things, COVID-19 sent stock markets into sharp decline and rendered them more volatile, disrupted global supply chains, and provoked a rapid and sudden rise in unemployment and an economic slowdown. Governments, monetary authorities and regulators have intervened to support the economy and the financial system, including by adopting fiscal and monetary measures to increase liquidity and support incomes; they have also eased the capital and liquidity requirements imposed on financial institutions.

Governments, monetary authorities and regulators around the world, including in Canada, continue to implement strong measures to provide financial assistance to households and businesses, stabilize markets and support economic growth. No one can be sure whether these measures will be sufficient to fully mitigate the negative impacts of the COVID-19 pandemic or reverse the recessionary situation in the markets and countries where the Bank conducts business. Because of the scale and severity of ongoing developments in the COVID-19 pandemic, if it continues, its impacts on the global economy could become more serious, leading to greater volatility in the financial markets, heightened risks of corporate insolvency and even more negative impacts on household wealth.

In addition to the impacts of the COVID-19 pandemic on the global economy and in the countries where the Bank conducts business, the pandemic has affected and may continue to affect the Bank, the way it conducts business, and its clients.

There remains a possibility that the financial stress experienced by the Bank’s clients as a result of the COVID-19 pandemic may become more intense, and when this is combined with operational constraints caused by social distancing requirements, including continued closures of certain facilities or reduced business hours, lower sales or increased operating costs, the Bank’s clients may be under even greater pressure. Since a significant portion of the Bank’s business involves granting loans or providing liquidity in multiple ways to its clients – which include individuals, businesses in various industries and governments – the impacts of the COVID-19 pandemic on these clients could have a material adverse effect on the Bank’s business, results of operations, financial position and reputation by, for example, causing more credit losses than the Bank expects.

In the context of the COVID-19 pandemic, the Bank has also been forced, and may again be forced, to review the way it conducts business, including by closing some branches or reducing their business hours, having employees continue to work from home for a long period of time, or implement the operational changes required as a result of greater volumes of client requests and the problems they cause for the Bank's main suppliers of products and services. These factors have had an adverse effect and may continue to adversely affect the Bank's business and the quality and continuity of the services it provides to clients. Until now, the Bank has taken proactive measures through business continuity plans, carefully planning for the return of certain employees to the workplace, and its crisis management teams are working even harder to ensure the well-being of the Bank's employees and maintain its ability to serve clients. In addition, in order to help clients experiencing financial difficulties, the Bank has implemented various assistance programs in addition to those offered by governments.

Lastly, as a result of the measures taken to enable employees to work from home and the increased use by clients of the digital tools that have been made available to them, the Bank, its clients and its service providers may be exposed to an increased risk of cyber threats, attacks, breaches, fraudulent activities and other compromises, as well as operational risks. The Bank is closely monitoring its operations for any indications of increased phishing, fraud, privacy breaches and cyberattacks by raising awareness about information security threats among its clients, employees and service providers.

Given these circumstances, the COVID-19 pandemic has put into perspective and may continue to put into perspective many of the principal and emerging risks to which the Bank is exposed, i.e., credit risk, market risk, liquidity and funding risk, operational risk, regulatory compliance risk, reputational risk, strategic risk, information security and cybersecurity risk, and the risk of dependence on technology and third parties. To the extent the COVID-19 pandemic adversely affects the Bank's business, financial condition and results of operations, it may also have the effect of heightening many of the other risks associated with economic, financial and political events described in this "Risk Factors" section.

The Bank continues to closely monitor the effects and potential consequences of the COVID-19 pandemic. It is not possible to predict the full impacts that this pandemic will have on the global economy, financial markets and the Bank, including its business, results of operations, financial position, regulatory capital and liquidity ratios, reputation, and ability to satisfy regulatory requirements, as well as the full impact on clients. The actual impacts will depend on future events that are highly uncertain and cannot be predicted with any certainty, including the extent, severity and duration of the COVID-19 pandemic, as well as the effectiveness of actions and measures taken by governments, monetary authorities and regulators over the long term."

SUSTAINABILITY BOND FRAMEWORK

The section entitled "**SUSTAINABILITY BOND FRAMEWORK**" on pages 193 to 194 of the Prospectus is deleted and replaced with the following:

"SUSTAINABILITY BOND FRAMEWORK

The Bank may issue Senior Notes under the Programme where the use of proceeds is specified in the applicable Final Terms (or the applicable Pricing Supplement in the case of Exempt Notes) to be for the financing and/or refinancing, in whole or in part, of future or existing eligible businesses

and eligible projects, including the Bank's own operations, that fall within the Eligible Categories, the whole in accordance with the National Bank of Canada Sustainability Bond Framework dated 30 November 2020 (as may be amended and updated from time to time) available on the following webpage: <https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/fonds-propres-et-dette/2020/nbc-sustainability-bond-framework-2020.pdf> (the "**Framework**"). The Framework addresses the four core components of the International Capital Market Association's Sustainability Bond Guidelines dated June 2018, and its recommendation on the use of external reviews and reporting:

- Use of Proceeds
- Project Selection and Evaluation Process
- Management of Proceeds
- Reporting

The Bank's look-back period for any financing using the proceeds of Sustainable Bonds is 36 months prior to the date of issuance of the relevant Sustainable Bonds.

"**Eligible Categories**" consist of the following five categories (all as more fully described in the Framework):

- Renewable Energy
- Sustainable Buildings
- Low-Carbon Transportation
- Affordable Housing
- Access to Basic and Essential Services
- Loans to Small and Medium-sized enterprises ("**SMEs**")

Where a business derives 90 per cent. or more of its revenues from activities in Eligible Categories, it will be considered as eligible for an allocation of the proceeds of Sustainable Bonds. In such instances, the use of proceeds can be used by the business for general purposes, so long as this financing does not fund expansion into activities that are excluded from the Eligible Categories.

The proceeds of Sustainable Bonds will not be knowingly allocated to any business or project where most of its activities are covered by one or more of the following sectors: weapons, gambling, pornography, predatory lending and tobacco. For loans to SMEs, additional exclusions may apply in accordance with the Bank's Social Economic Loan Selection Methodology, which will be available on the Bank's website prior to the first issuance of Sustainable Bonds related to this Eligible Category.

The Bank shall select eligible businesses and eligible projects that fall within the Eligible Categories in accordance with the Framework, with evaluation and review conducted by the Bank's ESG programme officers and Sustainability Bond Committee (as described in more detail in the Framework).

The proceeds of Sustainable Bonds will be deposited in the general funding accounts of the Bank. An amount equal to the proceeds will be earmarked for allocation in a sustainability bond register (which the Bank will establish in relation to Sustainable Bonds issued by the Bank for the purpose of recording the eligible businesses and eligible projects and allocation of the proceeds from Sustainable Bonds to such eligible businesses and eligible projects) in accordance with the Framework.

The Bank intends to maintain an aggregate amount of assets relating to eligible businesses and eligible projects that is at least equal to the aggregate proceeds of all Sustainable Bonds that are outstanding from time to time. The Bank aims to fully allocate proceeds of an issue of Sustainable Bonds within a period of 18 months from issuance.

Until an amount equal to the proceeds of Sustainable Bonds has been fully allocated, such proceeds may be invested according to the Bank's normal liquidity management activities.

Within one year of the issuance of Sustainable Bonds, the Bank will publish a sustainability bond report (the "**Sustainability Bond Report**") on its website. The Sustainability Bond Report will be updated every year until complete allocation of the proceeds from the relevant Sustainable Bonds, and thereafter, as necessary in case of new developments.

The Sustainability Bond Report will contain at least the following:

- (a) Confirmation that the use of proceeds of the relevant Sustainable Bonds complies with the Framework
- (b) The amount of proceeds allocated to each Eligible Category
- (c) For each Eligible Category, one or more examples of eligible businesses and projects financed, in whole or in part, by the proceeds obtained from the relevant Sustainable Bonds, including their general details (brief description, location, stage — construction or operation)
- (d) The balance of unallocated proceeds
- (e) Impact reporting items as described in the potential indicators table of the Framework

Where feasible, the Sustainability Bond Report will include qualitative and (if reasonably practicable) quantitative environmental and social performance indicators. Performance indicators may change from year to year.

Pursuant to the Framework a second party opinion has been obtained from an appropriate second party opinion provider. The second party opinion is available on: <https://www.nbc.ca/content/dam/bnc/a-propos-de-nous/relations-investisseurs/fonds-propres-et-dette/2020/nbc-sustainability-bond-second-opinion-2020.pdf>, and may be updated from time to time.

Further, the Bank may appoint a third party to provide an independent opinion on the management of its Sustainability Bonds issuances. For issuances covered by the Framework, NBC will request, on an annual basis, a limited assurance report of the proceeds of such Sustainable Bonds earmarked for the eligible businesses and eligible projects. In the unlikely event that the annual review identifies projects or businesses that do not comply with the Framework, such projects or

businesses will be removed from the Sustainability Bond Register and replaced with eligible projects or eligible businesses, or these amounts will be invested in liquid instruments for future allocation.

Any websites included or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus.”

NO SIGNIFICANT CHANGE / NO MATERIAL ADVERSE CHANGE

The paragraph “No Significant Change / No Material Adverse Change” on page 263 of the Prospectus shall be deemed deleted and replaced with the following:

“As at the date hereof, , there has been no significant change in the financial performance or financial position of the Bank or the Bank and its subsidiaries taken as a whole, and there has been no material adverse change in the prospects of the Bank and its subsidiaries taken as a whole, in each case, since 31 October 2020, being the date of the latest annual audited published consolidated financial statements of the Bank.”

GENERAL

To the extent that there is any inconsistency between (a) any statement in this 3rd Supplement or any statement incorporated by reference into the Prospectus by this 3^d Supplement and (b) any other statement in or incorporated by reference in the Prospectus prior to the date of this 3rd Supplement, the statements in (a) will prevail.

Statements contained in this 3rd Supplement will, to the extent applicable and whether expressly, by implication or otherwise, be deemed to modify or supersede statements in the Prospectus (or the documents incorporated in the Prospectus by reference).

Any websites included in the Prospectus or this 3rd Supplement are for information purposes only and do not form part of the Prospectus.

The Arrangers and the Dealers have not separately verified the information contained in this 3rd Supplement. None of the Dealers or the Arrangers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this 3rd Supplement or any of the information incorporated by reference in this 3rd Supplement.

Save as disclosed in this 3rd Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus since the publication of the Prospectus.

Copies of this 3rd Supplement, the 2020 Annual Report and the 2020 Annual Information Form can be reviewed on the website of the Luxembourg Stock Exchange at www.bourse.lu and may be obtained from the head office of the Issuer and the specified offices of each Paying Agent and Listing Agent, as set out at the end of the Prospectus. In addition, CDS Inc., a subsidiary of The Canadian Depository for Securities Limited, maintains an Internet web site through which all of the documents incorporated by reference herein, or deemed incorporated herein, that the Issuer files electronically can be retrieved. The address of the site is <http://www.sedar.com>.