



NATIONAL BANK OF CANADA

(a Canadian chartered bank)

CAD 20,000,000,000

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

This Supplement (the “**Supplement**”) to the base prospectus dated 9 September 2020 (the “**Prospectus**”), which comprises a base prospectus under Article 8 of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”) for National Bank of Canada (“**NBC**” or the “**Bank**”), constitutes a supplementary prospectus in respect of the base prospectus for NBC for purposes of Section 87G of the *Financial Services and Markets Act 2000* (as amended, the “**FSMA**”) and Article 23 of the Prospectus Regulation, and is prepared in connection with the CAD 20,000,000,000 Legislative Global Covered Bond Programme of NBC, unconditionally and irrevocably guaranteed as to payments by NBC Covered Bond (Legislative) Guarantor Limited Partnership (the “**Guarantor**”), established by NBC.

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

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

The purpose of this Supplement is to: (I) incorporate by reference in the Prospectus NBC’s: (a) 2020 Annual Information Form (as defined below); (b) latest audited annual results (including management’s discussion and analysis thereof); and (c) monthly investor reports for the months of August 2020, September 2020 and October 2020, containing information on the Covered Bond Portfolio; (II) update the no significant change and no material adverse change statements in the section of the Prospectus entitled “General Information”; and (III) to amend the section of the Prospectus entitled “*Risk Factors*”.

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

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

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

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

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

- (a) the Bank’s [Annual Information Form](#) dated 1 December 2020 (the “**2020 Annual Information Form**”);
- (b) the following sections of the Bank’s [Annual Report](#) for the year ended 31 October 2020 (the “**2020 Annual Report**”) which are incorporated by reference in the 2020 Annual Information Form:
 - (i) Management’s Discussion and Analysis of the Bank for the fiscal year ended 31 October 2020 on pages 15 to 122 of the 2020 Annual Report;
 - (ii) a discussion of major economic trends on page 28 of the 2020 Annual Report;
 - (iii) a business segment analysis on pages 32 to 52 of the 2020 Annual Report;
 - (iv) a discussion of securitization and off-balance sheet arrangements on pages 57 to 58 of the 2020 Annual Report;
 - (v) information concerning risk management on pages 68 to 106 of the 2020 Annual Report;
 - (vi) a discussion of critical accounting estimates on pages 107 to 112 of the 2020 Annual Report;
 - (vii) a description of the Bank’s share capital on page 194 to 197 of the 2020 Annual Report;
 - (viii) information concerning principal subsidiaries of the Bank on page 217 of the 2020 Annual Report; and
 - (ix) the Bank’s audited consolidated financial statements for the years ended 31 October 2020 and 2019, together with the notes thereto and the independent auditor’s report thereon dated 1 December 2020 on pages 123 to 224 of the 2020 Annual Report, included therein,

the remainder of the 2020 Annual Report is either not relevant for prospective investors or is covered elsewhere in the Prospectus and is not incorporated by reference;
- (c) NBC’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 31 August 2020 (the “**August Investor Report**”);
- (d) NBC’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 30 September 2020 (the “**September Investor Report**”); and
- (e) NBC’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 30 October 2020 (the “**October Investor Report**” and together with the August Investor Report and the September Investor Report, the “**Investor Reports**”).

Copies of the 2020 Annual Information Form, the 2020 Annual Report and the Investor Reports have been submitted to the National Storage Mechanism (operated by the FCA), and are available for viewing at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

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

“4. There has been no significant change in the financial performance or financial position of the Issuer and its subsidiaries, including the Guarantor, taken as a whole since 31 October 2020, the last day of the financial period in respect of which the most recent comparative published audited annual consolidated financial statements of the Issuer have been prepared.

5. There has been no material adverse change in the prospects of the Issuer and its subsidiaries, including the Guarantor, taken as a whole since 31 October 2020, the last day of the financial period in respect of which the most recent comparative published audited annual consolidated financial statements of the Issuer have been prepared.”

III. By virtue of this Supplement, the section entitled “Risk Factors” is amended to delete 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” in its entirety and replace it with:

“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, including on Borrowers of underlying Loans in the Covered Bond Portfolio, 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. Further details on the Loans and the Covered Bond Portfolio can be found in the section entitled “*The Covered Bond Portfolio*” on pages 154 to 155 of this Prospectus.

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 and on the Covered Bond Portfolio. 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."

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

Copies of this Supplement, the Prospectus and the documents incorporated by reference in either can be (i) viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Bank and the headline "Publication of Prospectus"; (ii) viewed on the Bank's website at <https://www.nbc.ca/en/about-us/investors/investor-relations/capital-debt-information/debt/legislative-covered-bonds-program/legislative-covered-bonds.html>; and (iii) obtained without charge from the Bank at 600 De La Gauchetière Street West, Montréal, Québec, Canada H3B 4L2, Attention: Investor Relations and the specified office each Paying Agent set out at the end of the Prospectus. No website referred to herein nor any information contained thereon, forms part of this Supplement, nor have the contents of any such website been approved by or submitted to the FCA, unless, in each case, such website or information is expressly incorporated by reference in this Supplement.