

Annual and Special  
Meeting of Shareholders  
TORONTO, ONTARIO



Assemblée annuelle et  
extraordinaire des actionnaires  
TORONTO, ONTARIO

# Remarks

by Scott Thomson, President and CEO

Check against delivery

**Scotiabank<sup>®</sup>**

**SCOTT THOMSON**

President and Chief Executive Officer,  
Scotiabank

April 14, 2026

Good morning.

It is a pleasure to welcome our shareholders here in Toronto this morning.

I want to thank you for your continued confidence during such an important time for our Bank and for the country.

Over the past year, I've spent time across Canada and our broader footprint, meeting small business owners and corporate and commercial clients as they navigate this period—and decide how best to steer their enterprises through it.

On a recent approach into Vancouver airport, I looked down at the stacks of shipping containers lined up at the port—and was struck by the power of simplicity.

For much of the last century, trade faced a basic problem.

Goods moved across oceans, but ports handled cargo differently.

Ships would arrive and teams of dockworkers would get to work breaking them down.

Pallet by pallet. Crate by crate. Barrel by barrel.

Every ship was unpacked, sorted, and reloaded by hand. It was labour-intensive and time-consuming.

Global trade was not constrained because of a lack of demand, but because of the lack of a common standard.

Then a simple idea changed everything: the shipping container.

One box that could move from sea to rail to road aligned global trade, and something remarkable happened.

Speed increased, costs fell, and scale became possible.

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That idea—that alignment matters as much as ambition—has guided how we have run the Bank over the past two years.

Just as the shipping container transformed trade by harmonizing how the system operated, our focus has been on simplifying, standardizing, and sharpening how we deploy capital and serve clients.

And the results are clear—stronger earnings, improving returns, and a balance sheet built for resilience.

Across the Bank, we have shifted from volume to value—moving from leading with our loan book to building deeper, more meaningful client relationships.

We ended the year with an adjusted return on equity of 12.5 per cent—up nearly 200 basis points year-over-year.

We told the market we expect to reach our medium-term return on equity target of 14 per cent plus in 2027—one year ahead of plan. And in the first quarter of this year, we've already reached 13 per cent.

Our net income was up 10 per cent in 2025, helped by strong revenue growth and good expense control.

We have repurchased 20 million shares over the past year, and we intend to continue repurchasing shares in the quarters ahead.

Taken together, this helped to drive a total shareholder return north of 35 per cent in 2025.

The introduction of the shipping container shows us that innovation on its own is often not enough—but rather what you do with it, through processes, approaches, or ideas that help a system scale.

That's the lens we're applying across the bank—from how we attract primary clients to how we modernize platforms.

One of our core areas of focus continues to be growing primacy, and over the last two years we have added more than 400,000 retail primary clients across Canada and our international footprint.

These are clients for whom we meet their core banking needs, who actively use our products and services, and who are engaged digitally.

In Canada, many of these clients are coming into the Bank through our innovative Mortgage Plus program, which now represents more than 90 per cent of new mortgage originations.

Mortgage Plus is a customizable banking bundle that gives clients access to preferred mortgage rates.

We were also excited to welcome iconic Canadian brand Shell to our Scene Plus program this year, unlocking new ways for members to save and earn rewards on everyday essentials like fuel, groceries, entertainment, travel, and of course, banking.

In our international footprint, we completed the transfer of our banking operations in Colombia, Costa Rica, and Panama to Latin American bank Davivienda, in exchange for an approximate 20 per cent ownership stake in the combined entity.

The transaction, which closed in December, reflects our commitment to optimize our International Banking business by focusing on those countries where we can grow and scale.

Our Global Banking and Markets business has been investing in new capabilities, with our business in the United States now growing to 12 per cent of the Bank's total earnings in 2025.

And in our Global Wealth Management business, we have seen a 14-point improvement in our Net Promoter Score since we launched our strategy in 2023.

This is one of the key metrics we use to measure client satisfaction.

Within the Bank, we have focused on technology investments that are redefining how Scotiabank serves clients, how our teams work, and how we create long-term value, allowing us to compete and win in a rapidly changing landscape.

We have now launched our enterprise approach to data and AI, which we call Scotia Intelligence.

Through Scotia Intelligence, we are building for where AI is going—not where it was.

It unifies our most advanced tools and capabilities to turn information into actionable insights at scale, accelerate decision-making, and drive a more agile, connected, and high-performing organization.

As part of these efforts, we are putting the power of assistive AI tools in the hands of all of our employees to help them make faster, more informed decisions—so that we can deliver better outcomes for our clients, now and into the future.

All of our efforts have helped to build a strong foundation that is prepared and equipped to support our clients in whatever lies ahead.

And to continue delivering sustainable, long-term returns for you, our shareholders.

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Just as the shipping container reshaped the economic map, today's technological and geopolitical shifts are reshaping it again.

The implications for Canada and our clients are profound—guiding where investment flows and how risk is managed.

In the International Monetary Fund's most recent check-in on Canada's economic health, it found the country to be economically resilient.

In fact, Canada is faring better than might have been feared.

But resilience on its own does not create prosperity.

The IMF's message is that productivity, investment, and policy clarity now matter more than ever.

Growth won't come from demand alone, but rather from restoring investor confidence that gets capital flowing and boosts Canada's capacity to deliver on today's national priorities.

This includes energy and resource infrastructure, defence, housing supply, and innovation.

In other words: the demand is here. The capital exists. But misalignment—between policy, infrastructure, and investment—still holds Canada back.

Those same geopolitical shifts have also sparked long-overdue conversations about Canada's economic framework.

Leaders have galvanized around a deliberate, pro-growth agenda—focused on trade diversification and long-term prosperity.

Last year at this meeting, I said that this is Canada's moment to point itself in the right direction—to be more deliberate about growth, investment, and competitiveness.

Since then, the federal government has referred more than 20 initiatives to the Major Projects Office, with countless other smaller-scale projects receiving investment or support to help get them off the ground or accelerate their impact.

Many businesses, too, have shown a renewed optimism about the path Canada is on, and it will take those same businesses stepping up and investing with confidence to unleash the country's potential.

That confidence matters—because Canada has set an ambitious goal: to unlock up to \$1 trillion in investment over the next five years.

That investment is key to building infrastructure, expanding industrial capacity, and strengthening long-term growth.

If achieved, it would be transformational for the economy.

It would boost real GDP growth by 2 per cent, driving a meaningful improvement in living standards in this country, to the tune of approximately \$1,200 per person, per year, in real income.

It is also the type of ambition that is necessary amidst an ongoing period of economic dislocation.

Public capital can help set the direction—but it is private investment that will make this a reality.

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Today the world is converging on a shared view of Canada's opportunity.

The recent conflict in the Middle East has served as a reminder that when resources become a geopolitical tool, secure supply, trusted partners, and long-term capacity matter more than ever—and that puts a premium on *more Canada*.

Nowhere is this clearer than in energy.

Just four countries—Venezuela, Saudi Arabia, Iran, and Iraq—hold more than half of global oil reserves, with conflict-affected countries including Russia and Libya rounding out the top 10.

More than 60 per cent of natural gas reserves sit in the Middle East and Russia.

In other words, a large share of the world's supply sits in places where politics can change the reliability—and the price—overnight.

For households, this works its way into heating bills, gas prices, and the cost of everyday goods.

Before the Middle East conflict, a fifth of global oil and LNG moved through the Strait of Hormuz—one of the world’s most critical chokepoints.

About a third of global seaborne fertilizer passed through that same chokepoint, at a time when global food demand is only expected to rise.

When fertilizer supply tightens or becomes more expensive, it flows straight through to farmers’ costs—and ultimately into grocery prices.

This weaponization of resources also extends to the green energy transition.

Half of all critical minerals essential to the energy transition are now intentionally restricted by export controls around the world, while nearly 75 per cent of processing occurs in just one country.

Canada is uniquely positioned as a secure, reliable alternative to many of the world’s suppliers.

We stand apart in the global energy landscape: third globally in oil reserves, fourth in production, and fifth in natural gas.

We are also in the top three globally on both current and planned carbon capture and storage capacity.

Canada is the second largest producer of uranium, and has some of the largest reserves of other key critical minerals such as nickel, cobalt, and rare earth elements.

Canada accounts for roughly a third of the world’s reserves and production of potash—one of the key ingredients in fertilizer.

Crucially, these resources sit within a country characterized by strong governance, rule of law, and political stability, in contrast to many dominant global suppliers.

This is especially important as artificial intelligence continues to permeate deeper into everyday business and life, with access to affordable and reliable power quickly becoming a key factor in adoption.

According to the International Energy Agency, data centres currently consume about 1.5 per cent of total global electricity.

That share is expected to double to 3 per cent by 2030.

Put differently, this represents half of the projected growth in domestic energy demand over that period.

And it won't be a marginal shift.

AI's energy use is expected to overtake that of all energy-intensive goods sectors combined—including chemicals, aluminum, steel, and cement.

In a world where all forms of energy and raw materials will play an increasingly important role, Canada has the resources.

Add to that our human capital—our highly educated population, our deep financial sector expertise, and a quality of life that ranks amongst the best in the world—and we also have the credibility to lead.

But investment only moves at scale when systems line up—when capital, policy, and infrastructure pull in the same direction.

Amidst today's uncertainty, the cost of misalignment is higher than it has ever been.

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That question of alignment matters just as much when we look beyond our borders.

In the same way the shipping container reduced friction by standardizing how trade moved, North America's advantage comes from shared frameworks that let trade and investment flow with confidence.

Canada has what the world wants and needs, and getting those goods to new markets has become a priority as the country works to diversify its trading relationships.

Tangible commitments to do so may also reinforce the government's goal of attracting new investment and getting capital flowing into projects that enable overseas trade.

Supporting this growth will mean making transformational investments in marine and air infrastructure, and strengthening investments in rail, road, and intermodal capacity.

This is a generational opportunity that will be essential to securing Canada's economic future.

At the same time, it is important to deepen our relationship with our neighbour to the south. Geography matters.

With 70 per cent of goods leaving the country shipped by road, rail, or pipeline, Canadian trade is deeply integrated with the United States.

The U.S. has always been and will always be a central partner for Canada. And just as Canada needs the U.S., the U.S. needs Canada.

It's no coincidence that some \$900 billion in goods and services flow between Canada and the U.S. each year, in roughly equal proportions.

Energy, food, and critical inputs move back and forth across the border every day.

The United States relies heavily on Canadian energy and potash—dependencies that underscore how interconnected our economies truly are. And nearly 8 million US jobs are supported by trade with Canada.

More broadly, the Canada–U.S.–Mexico relationship remains one of the most integrated in the world.

North America has been the second fastest growing region over the last 30 years, and represents roughly 30 per cent of global GDP.

Canada and Mexico are the United States' biggest trade partners, but they are also significant partners to each other.

Mexico was the fifth largest purchaser of Canadian goods in 2024, and the third largest source of Canadian imports.

Beyond the trade flows, the three countries' human capital is highly complementary.

Lower-cost, highly-skilled labour in Mexico coupled with Canada's resource advantage provides relatively cheaper inputs for American manufacturers, which in turn drives significant innovation and productivity growth.

These strong cross-border supply chains have kept jobs in Canada and the US that would have otherwise departed.

This is particularly the case in key sectors like automotive, which have benefitted from stronger competitiveness, while capital flows allow each country's firms to invest in the others, creating further jobs, fueling productivity, and generating wealth.

Whether you're a tomato farmer in Leamington, a fleet owner in Lethbridge, or an auto parts distributor in Laval, trade uncertainty matters.

Roughly three-quarters of Canada's economy is now services-based, but it is the goods-producing sectors—about a quarter of GDP—that absorb most of the friction when trade rules are uncertain.

Even relatively modest increases in trade friction can have meaningful economic effects, slowing investment, disrupting supply chains, and raising costs.

This is especially true in sectors like manufacturing, machinery, and transportation equipment—on all sides of the border—that depend most on cross-border flows.

When you look at the resource, labour, and manufacturing synergies to be found by working as one, it's not less of each other that we need—it's more.

Particularly in a more fragmented multi-polar world, the relative strengths that all three countries gain from CUSMA becomes all the more important.

We believe that the renewal of CUSMA remains the most likely outcome. The economics of the deal are obvious. But the path to get there may not be linear.

The real risk is prolonged misalignment and missed opportunity.

As the CUSMA review unfolds, the objective should be not only to move quickly to reduce uncertainty, reinforce clear rules, and keep North America investable—

It should also be to deepen even further, to amplify trade, and to grow our collective prosperity.

Together with broader global trade diversification, Canada will be on course to thrive.

The faster we gain that trade alignment, the faster businesses can commit capital, build capacity, and move forward with confidence.

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Scotiabank intends to be at the centre of that alignment. We're built for this moment.

We are the fourth largest bank in Mexico and one of the top 10 in North America.

We are the only bank that operates at scale in all three countries, with deep expertise across sectors including oil and gas, mining, infrastructure, real estate, and many others.

We are uniquely positioned to support our clients in each of these jurisdictions, with an unparalleled ability to support those transacting across the continent.

That's one of the reasons that we opened a best-in-class regional office in Dallas this year—a long-term investment in a region that is a hub for North American connectivity.

It's why I brought our entire senior leadership team down to Mexico just two weeks ago to spend time with our clients and teams, and to connect with a market that is so important to our Bank.

And it's why we're looking forward to hosting clients and officials from across Mexico and Canada, as the Government of Mexico launches its trade mission to Canada in the weeks ahead.

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Just as the shipping container caused significant societal shifts—as traditional roles were upended, technologies changed, and new opportunities emerged—so too will the disruption that is reshaping today's global economy.

To that end, the way we approach areas like social impact, sustainability, and community investment are continuing to evolve.

I am very proud to share that we will disclose our energy supply ratio later this month, which will provide investors with clearer insight into the relative balance between our financing of low-carbon and conventional energy supply.

We will be amongst the first banks globally to disclose both an ESR methodology and a calculated ratio. We will also publish a Supplementary ESR, where Natural Gas and Low Carbon energy are recognized as essential to the transition.

This is a recognition that all forms of energy—both conventional and alternative—will be required to support the global emerging middle class and the unprecedented demand driven by technological advancements like AI.

Another area where we are committed to real impact is Indigenous economic reconciliation.

The relationship between Indigenous participation, reconciliation, and Canada's economic resurgence is clear.

We are focusing on driving real opportunity for Indigenous clients and communities, and taking an enterprise-wide approach to expanding products and services that further contribute to the prosperity of the Indigenous economy and our broader stakeholders.

This includes through Cedar Leaf Capital, which is opening doors to new opportunities that support Indigenous communities in accessing tailored financial advice, building capital, and driving economic development.

Our community investment efforts through our \$500 million ScotiaRISE program will continue to evolve alongside our business strategy.

To ensure that we are meeting the economic needs of tomorrow, the program will work to prepare our communities for an innovation-driven, infrastructure-intensive future.

And through all of our efforts, Inclusion remains foundational.

It is central to our culture framework—our Scotiabond.

And as we build the team that will continue to deliver our strategy, diversity of talent, experience, and perspective remains a strategic advantage.

Taken together, these efforts reflect a bank that is operating with clarity, confident about our role in the world today, and deliberate about the way we drive our impact forward.

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In the container revolution, the winners weren't the ports that had historically handled the most cargo, but rather the ones that aligned early around the new economic order and built for scale.

That's how we have thought about our own journey here at Scotiabank, and it mirrors the path that Canada is on today.

As a country and a continent, only through alignment will we be able to compete—and lead—globally.

Alignment between capital and policy. Between stability and growth. Between today's economy and tomorrow's.

That's what turns potential into performance—within our Bank, and across Canada.

That's how we'll thrive.

And through it all, Scotiabank will be there—partnering with clients, delivering for shareholders, and strengthening the communities we serve.

Thank you.