



# Canadian Banking

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**Aris Bogdaneris**

Group Head, Canadian Banking

# Forward-looking statements

From time to time, our public communications include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission (SEC), or in other communications. In addition, representatives of the Bank may include forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include, but are not limited to, statements made in this document, the Management’s Discussion and Analysis in the Bank’s 2023 Annual Report under the headings “Outlook” and in other statements regarding the Bank’s objectives, strategies to achieve those objectives, the regulatory environment in which the Bank operates, anticipated financial results, and the outlook for the Bank’s businesses and for the Canadian, U.S. and global economies. Such statements are typically identified by words or phrases such as “believe,” “expect,” “aim,” “achieve,” “foresee,” “forecast,” “anticipate,” “intend,” “estimate,” “plan,” “goal,” “strive,” “target,” “project,” “commit,” “objective,” and similar expressions of future or conditional verbs, such as “will,” “may,” “should,” “would,” “might,” “can” and “could” and positive and negative variations thereof.

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our financial performance objectives, vision and strategic goals will not be achieved.

We caution readers not to place undue reliance on these statements as a number of risk factors, many of which are beyond our control and effects of which can be difficult to predict, could cause our actual results to differ materially from the expectations, targets, estimates or intentions expressed in such forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which we operate and globally; changes in currency and interest rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Bank and its affiliates; changes in monetary, fiscal, or economic policy and tax legislation and interpretation; changes in laws and regulations or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; geopolitical risk; changes to our credit ratings; the possible effects on our business of war or terrorist actions and unforeseen consequences arising from such actions; technological changes and technology resiliency; operational and infrastructure risks; reputational risks; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services, and the extent to which products or services previously sold by the Bank require the Bank to incur liabilities or absorb losses not contemplated at their origination; our ability to execute our strategic plans, including the successful completion of acquisitions and dispositions, including obtaining regulatory approvals; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; global capital markets

activity; the Bank’s ability to attract, develop and retain key executives; the evolution of various types of fraud or other criminal behaviour to which the Bank is exposed; anti-money laundering; disruptions or attacks (including cyberattacks) on the Bank’s information technology, internet connectivity, network accessibility, or other voice or data communications systems or services; which may result in data breaches, unauthorized access to sensitive information, and potential incidents of identity theft; increased competition in the geographic and in business areas in which we operate, including through internet and mobile banking and non-traditional competitors; exposure related to significant litigation and regulatory matters; climate change and other environmental and social risks, including sustainability that may arise, including from the Bank’s business activities; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; inflationary pressures; Canadian housing and household indebtedness; the emergence or continuation of widespread health emergencies or pandemics, including their impact on the global economy, financial market conditions and the Bank’s business, results of operations, financial condition and prospects; and the Bank’s anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Bank’s business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank’s financial results, businesses, financial condition or liquidity. These and other factors may cause the Bank’s actual performance to differ materially from that contemplated by forward-looking statements. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank’s results, for more information, please see the “Risk Management” section of the Bank’s 2023 Annual Report, as may be updated by quarterly reports.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2023 Annual Report under the headings “Outlook”, as updated by quarterly reports. The “Outlook” and “2024 Priorities” sections are based on the Bank’s views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections. When relying on forward-looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events.

Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank’s shareholders and analysts in understanding the Bank’s financial position, objectives and priorities, and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf.

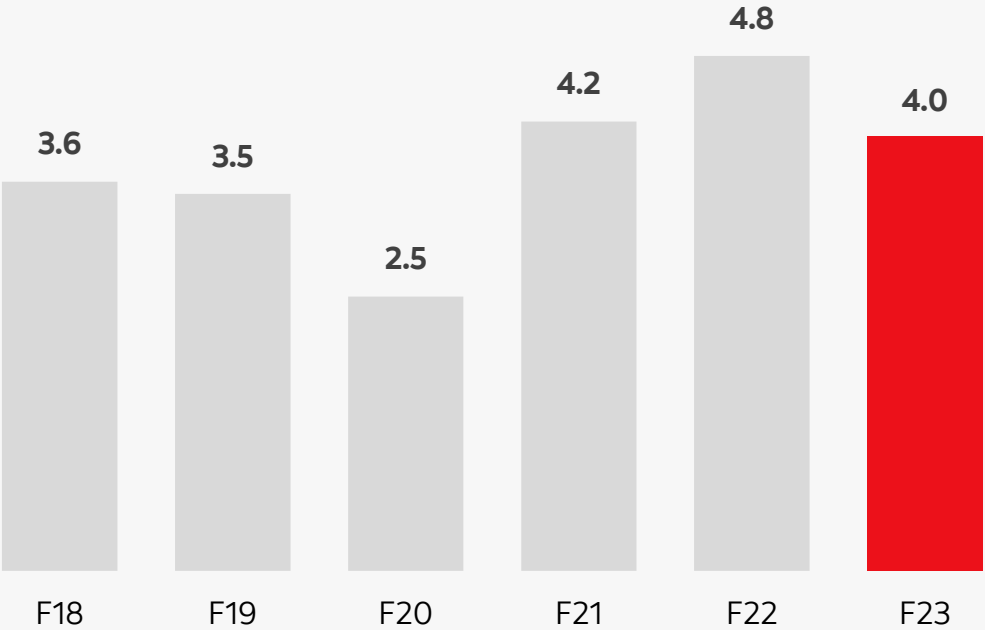
Additional information relating to the Bank, including the Bank’s Annual Information Form, can be located on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca) and on the EDGAR section of the SEC’s website at [www.sec.gov](http://www.sec.gov).

# KEY MESSAGES

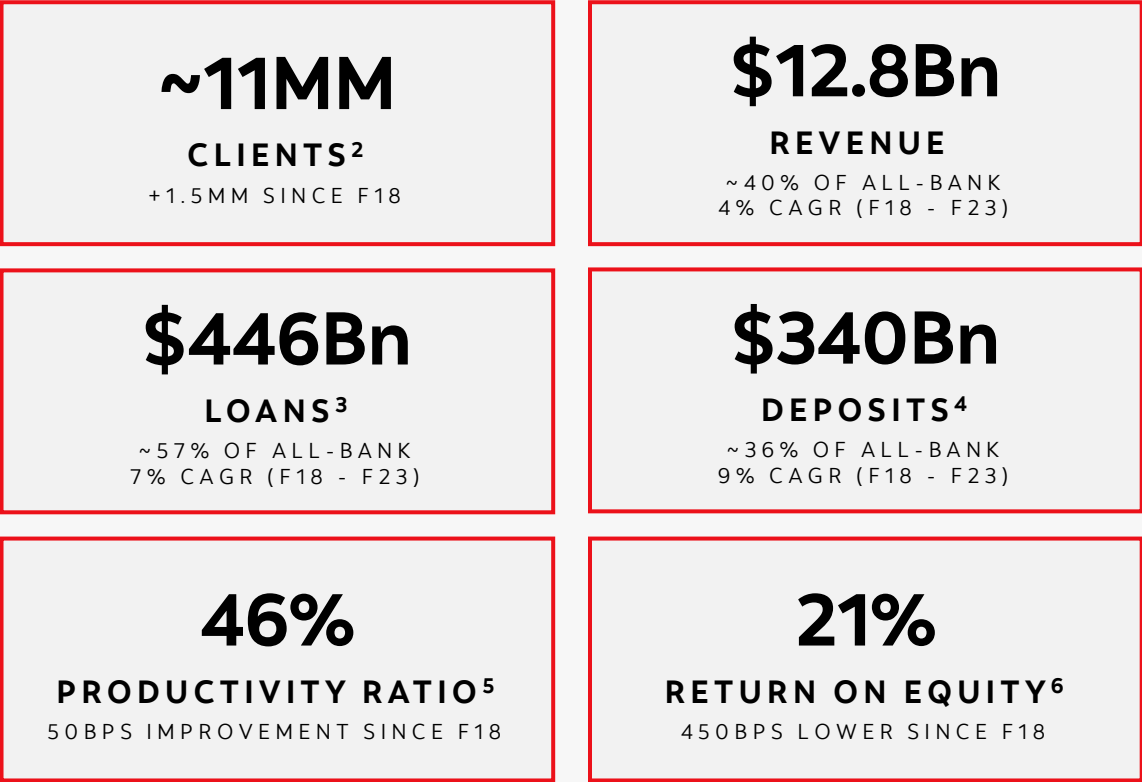
- We aim to be **Canada's most trusted and data-driven bank with market-leading client advocacy, and sustainable growth in earnings<sup>1</sup> and return on equity<sup>2</sup>**
- **Doubling down on Canadian Banking**, increasing our annual investment to **drive ~50% of all-bank earnings<sup>1</sup> growth**
- **Focused on increasing primary clients across all business lines** while gaining share in key product areas (e.g., deposits, payments, investments, insurance) and **lowering our overall cost of funds**
- **Increase salesforce effectiveness** among our Branch Advisors and Relationship Managers with a renewed focus on core foundational capabilities including sales specialization, pricing discipline, and performance management
- Continue **digitizing key client journeys and processes** and **harnessing data** to deliver more seamless and engaging experiences for our clients – with an emphasis on mobile
- **Improve execution by accelerating agile delivery** with cross-functional teams and horizontal end-to-end single point accountability

# Canadian Banking Today | Canadian Banking drives more than 40% of all-Bank earnings<sup>1</sup> and is our highest return business line with 21% return on equity

## EARNINGS<sup>1</sup> \$Bn



## F23 SNAPSHOT



Note: For footnoted information refer to slides 39 to 43

# Canadian Banking Today | Meaningful size & scale with solid growth momentum

## OUR SIZE & SCALE

**~19,000**  
TOTAL FTE

**~950**  
BRANCHES

**~3,800**  
BRANCH SALES STAFF

**~3,700**  
ABMs

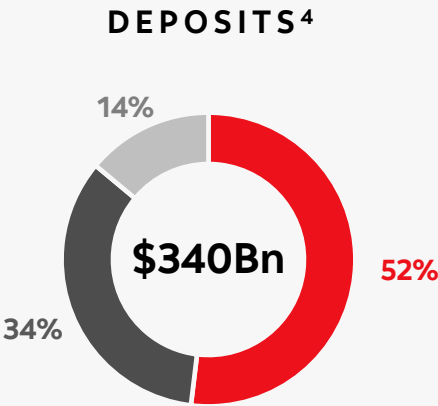
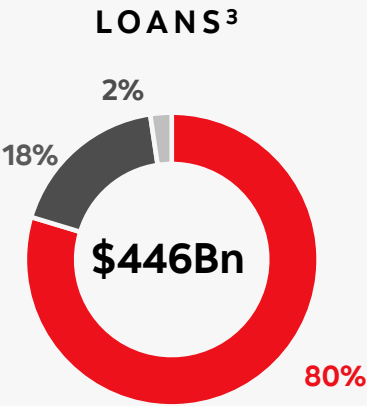
**~600**  
COMMERCIAL SALES STAFF<sup>1</sup>

**4MM+**  
ACTIVE MOBILE USERS

**~950**  
SME SALES STAFF

**~16MM**  
CONTACT CENTRE INTERACTIONS<sup>2</sup>

## F23 BUSINESS MIX












REVENUE GROWTH	(F18 – F23)	(F23 Y/Y)
RETAIL	2%	6%
BUSINESS BANKING	10%	9%
TANGERINE	15%	38%

Note: For footnoted information refer to slides 39 to 43

# Canadian Banking Today | Clear gaps, with a big opportunity to grow primacy, accelerate digital, and improve sales productivity

## MARKET SHARE RANKING

		5 <sup>th</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	1 <sup>st</sup>
Retail	Mortgages <sup>1,2</sup>					
	Auto Finance <sup>3</sup>					
	Retail Deposits <sup>1,2</sup>					
	Credit Cards <sup>1,2</sup>					
	Branch Distribution of Mutual funds <sup>4</sup>					
	Insurance <sup>5</sup>					
Business	Personal Loans <sup>1,2,6</sup>					
	SME <sup>7,8</sup>					
	Commercial <sup>7,9</sup>					

Opportunity to **accelerate high RoE businesses** with a **focus on value**

## OUR STARTING POINT IN F23

**28%**

**Retail client primacy<sup>10</sup>**  
vs. 40%+ global best-in class<sup>11</sup>

**~30%**

**Financial advisors to total retail staff<sup>10,12</sup>**

**23%**

**Core digital sales units<sup>10,13</sup>**  
vs. ~28% Canadian avg. and 60%+ global digital leaders

**~30**

**Contact centre service FTE per 100k clients<sup>10</sup>**  
vs. ~10 global digital leaders

**25%**

**Communications personalized<sup>10</sup>**  
vs. 70%+ global digital leaders

**~120**

**Branch FTE per 100k clients<sup>10</sup>**  
vs. ~120 Canadian avg. and ~60 global digital leaders

**12%**

**Share of non-deposit revenue<sup>14</sup> at Tangerine**

**~20%**

**Agile adoption<sup>10,15</sup>**  
vs. 100% global digital leaders

# Canadian Banking Today | Recent successes to build upon<sup>1</sup>



## Deposits & Primacy

- > **+\$34Bn in Retail deposits over the past 24 months** supported by an improved everyday banking engine
- > More than **4MM new Scene+ members** since Empire launch, and **38% of Scene+ members** have a Scotiabank product<sup>2</sup>
- > **200,000+ net new primary clients** per year since F21, including **more than 40% of clients** who are New to Canada



## Deepening Relationships

- > **70% of originations through the broker channel include additional products** following the launch of our Mortgage+ bundle in September
- > **Record card acquisition** and **12% increase in credit card transactions** over the last 12 months
- > **Strong momentum** in Business Banking; **~\$5Bn in referrals with Wealth** in F23



## Digital & Client Satisfaction

- > **17% increase in digital adoption since F20** from investments in personalization, digital, and client-centric digital experience design
- > Tangerine won **#1 Midsized bank** in the 2023 J.D. Power Personal Banking Satisfaction Study for a **12<sup>th</sup> year in a row** while delivering strong earnings<sup>3</sup>

# Our New Way Forward



## Our Differentiators | Unique strengths that will increasingly support our new strategy

### UNLOCKING THE FULL VALUE OF TANGERINE



Tangerine's strong **brand & market-leading NPS<sup>1</sup>** can capture primacy, sticky deposits, & higher lending balances

### HARNESSING THE POTENTIAL OF SCENE+



Growing value in the **Scene+ ecosystem** to be converted into higher **loyalty** and **cross-sell** for our clients

### LEVERAGING OUR INTERNATIONAL FOOTPRINT



Scalable **multi-function campuses** and opportunity to leverage **best practices on digital delivery** from outside Canada

# Our Strategy | We have defined clear strategic priorities enabled by core foundational capabilities

## CORE FOUNDATIONAL CAPABILITIES

Data deployment  
& analytics

Sales & channel  
effectiveness

Pricing excellence

E2E digitization

Culture &  
agile way of working



## STRATEGIC PRIORITIES



### Grow and scale in priority businesses

- Deepen **digital capabilities** to grow **deposits, funds, cards,** and **insurance**
- Increase **sales competencies** and **capacity**
- Realize the **full value of Tangerine**



### Earn primary client relationships

- Increase **personalized value propositions**
- Harness the **full potential of Scene+**
- Expand **cash mgmt.** and **payroll capabilities**



### Make it easy to do business with us

- Deliver a **seamless client experience** across channels
- **Simplify** and **digitize client journeys**
- Increase **straight through processing**



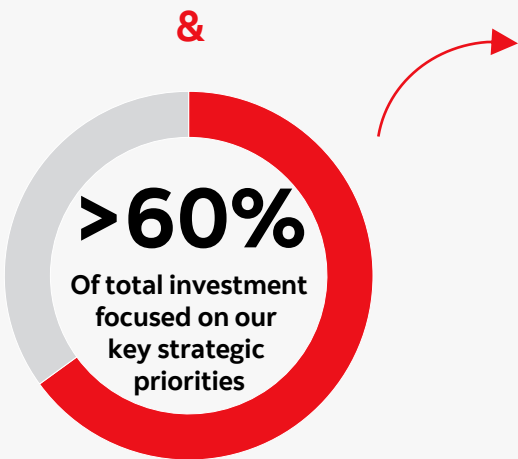
### Win as one team

- Continue leveraging **cloud, AI,** and **3<sup>rd</sup> party partnerships**
- Integrate **data, analytics, marketing,** and **sales**
- Deliver the **Whole Bank**

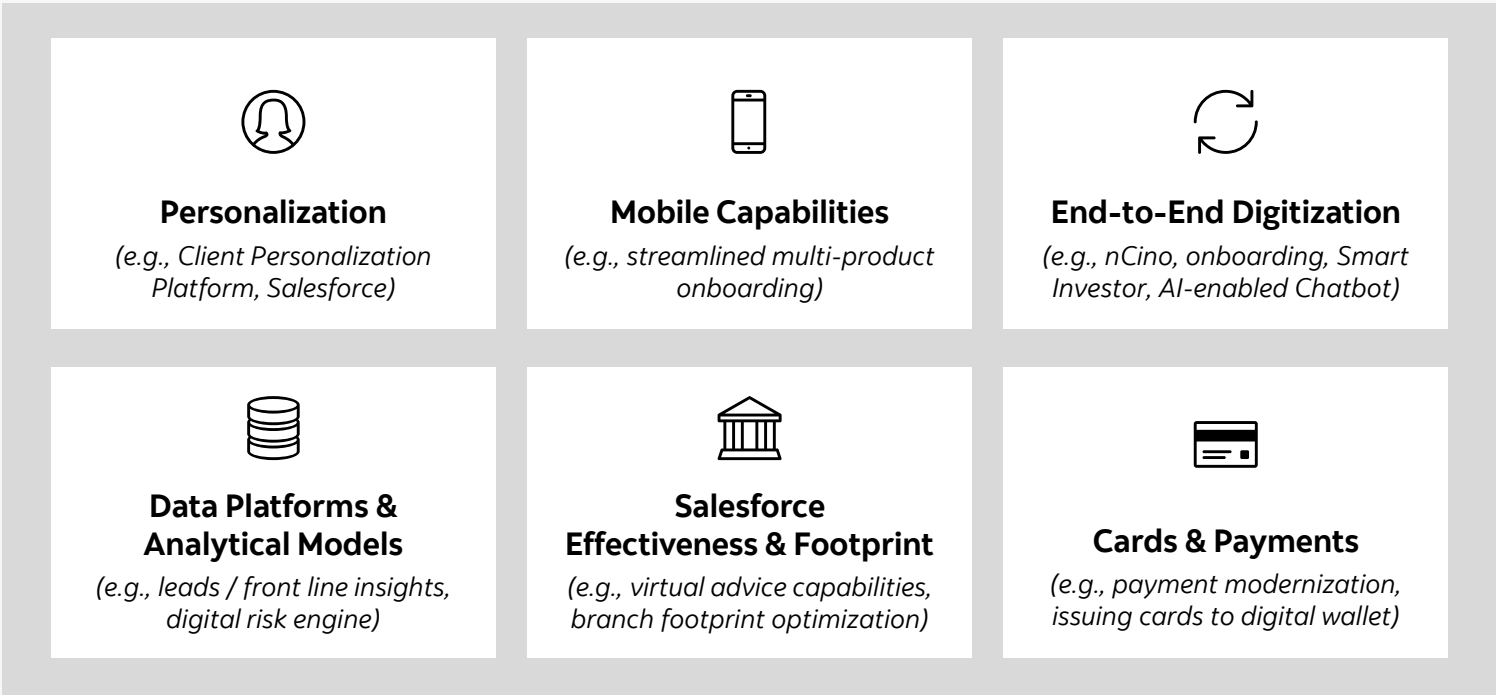
# Execution | We are materially increasing our investment budget across six key business priorities

WE ARE FOCUSING OUR INVESTMENT...

**+50%**  
More investment in Canadian Banking through F28<sup>1</sup>  
Total investment exceeding \$500MM over the next 12-18 months



...TO ACCELERATE EXECUTION AGAINST OUR KEY PRIORITIES



Leveraging these investments **across our footprint, to develop global platforms** where appropriate

Note: For footnoted information refer to slides 39 to 43

# Risk | Continue to enhance focus on balanced risk-return

## HISTORICAL FOCUS ON VOLUME

- **Heavy reliance on monoline indirect relationships** driving revenue at lower margins
- Focus on **driving volume through secured lending** products
- **Foundational investments** in AML and Compliance capabilities

## GO-FORWARD FOCUS ON BALANCED RISK-RETURN

- Driving growth in **higher risk-adjusted margin portfolios**
- **Focus on capturing client primacy** driving higher margin and deposit growth
- Continued focus on **investments in AML/Compliance, with new investments in collections, data, fraud, and cyber** prevention



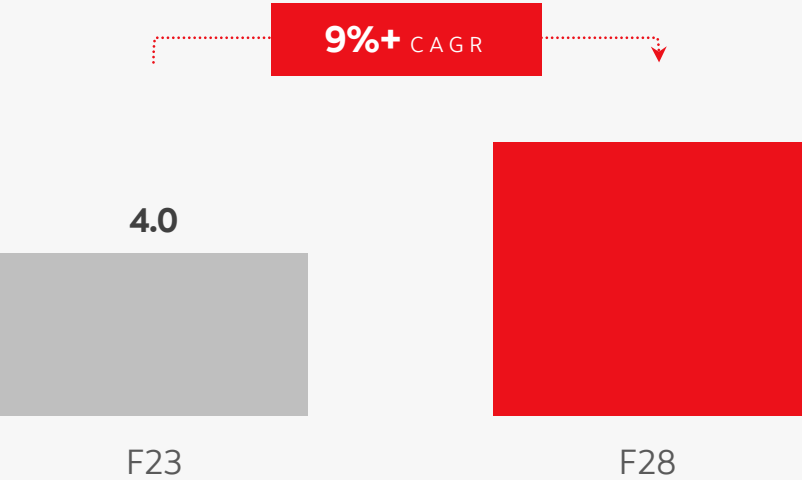
## STRATEGIC METRICS

**2.4% risk-adjusted margin<sup>1</sup>**

~40 bps increase over F23

# Our Ambition | Canada's data-driven bank with market-leading client advocacy, driving sustainable earnings growth

EARNINGS GROWTH<sup>2</sup>, \$Bn



CAGR

REVENUE	8%+
LOANS AND ACCEPTANCES	5%+
DEPOSITS	8%+

MEDIUM-TERM FINANCIAL OBJECTIVES<sup>1</sup>

**9%+**

EARNINGS GROWTH<sup>2</sup>

5-YEAR CAGR

**~24%**

RETURN ON EQUITY

vs 21% in F23

**2.4%**

RISK ADJUSTED MARGIN

vs 2.0% in F23

**~44%**

PRODUCTIVITY RATIO

vs 46% in F23

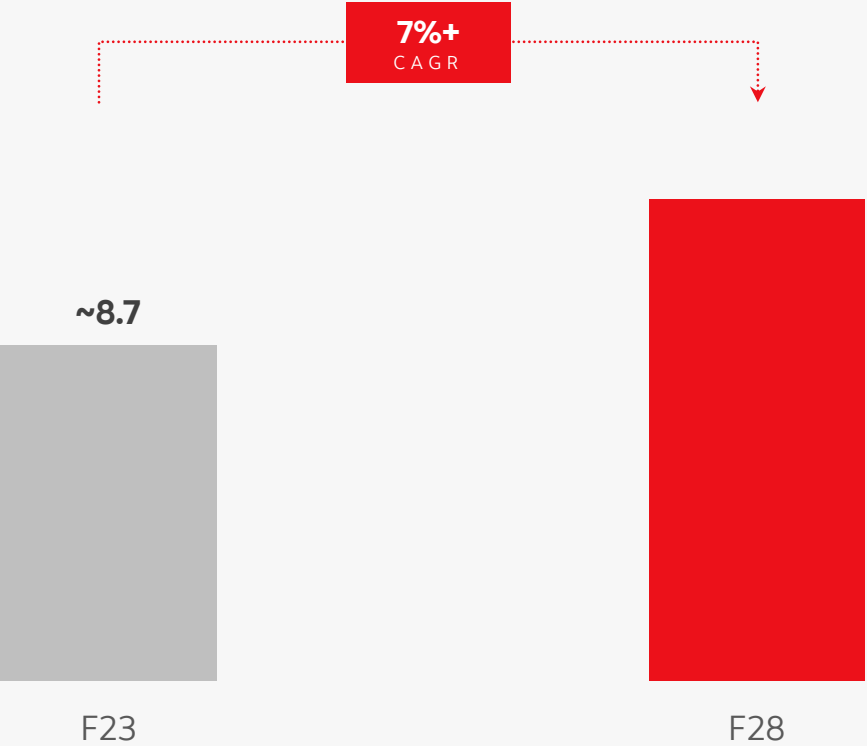
Note: For footnoted information refer to slides 39 to 43

# **Our New Way Forward**

## **Retail Banking**

**Our Ambition | Increase primary clients and accelerate earnings growth by additional investment in analytics, mobile and digitization**

**RETAIL GROWTH OBJECTIVE (REVENUE, \$Bn)**



**MEDIUM-TERM STRATEGIC METRICS**

**+1MM**  
**Primary Clients**  
35% of total clients vs. 28% today

**+\$85Bn**  
**Retail Deposits & Investments**  
vs. +\$60 Bn from F18 – F23

**30%+**  
**Revenue from Digital & Virtual Sales<sup>1</sup>**  
From ~10% today

**~10%**  
**Fee Growth CAGR from Cards, Funds and Insurance**

Note: For footnoted information refer to slides 39 to 43

# Earn Primary Clients | Adding 1MM new primary clients<sup>1</sup> by F28 to reach 35% primacy


5-year primary client objective...

FROM  
**~28%**  TO  
**35%**

## SOURCES OF PRIMARY GROWTH

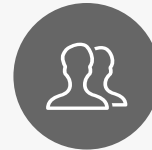
 **Penetrating Existing Client Base** ~40%

 **New to Canada** ~40%

 **Scene** ~20%

**200,000+ new primary clients per year** in F22 & F23

... by personalizing value propositions and rewarding loyalty at key stages of the client lifecycle



### ACQUIRE

**Grow key primary segments:**  
New-to-Canada,  
Students, Early Career



### ENGAGE

**Nudge near-primary<sup>2</sup> into primary** and  
convert non-primary  
relationships



### RETAIN

**Offer service excellence, and reward long-term,** profitable clients for their loyalty

**Primary clients** generate **~2x more revenue**, have **~2x more products**, **interact ~2x more** and are **~5x more loyal**



# Earn Primary Clients | Our New-to-Canada and Scene+ ecosystems are growing and creating more value for our clients and more primary relationships for the Bank

## NEW-TO-CANADA HIGHLIGHTS

~80% of Canadian population growth is driven by immigration, presenting an opportunity to earn primacy among New-to-Canada clients

3x

growth in New-to-Canada clients as a proportion of New-to-Bank acquisition (since F21)

2x

higher initial credit limits through our Nova Credit partnership

+4MM

increase in pre-arrival reach through our Moving2Canada partnership

+30%

New-to-Canada clients outpacing immigration growth (since F21)

### F28 OBJECTIVES

Become Canada's Bank for New-to-Canada clients

25%+

Acquisition share of New-to-Canada clients

50%+

Growth in the New-to-Canada client base by F28

## Scene+ HIGHLIGHTS

Scene+ membership and engagement has grown rapidly driving higher engagement and deeper relationships with clients

14MM+

Scene+ members

85%+

new enrollments via partner locations<sup>2</sup>

+44%

growth in membership since Empire launch<sup>1</sup>

+1.2MM

new Scotiabank Scene+ payment products since Empire launch

### F28 OBJECTIVES

2x  
Scene+ Payment Cards

\$15Bn+

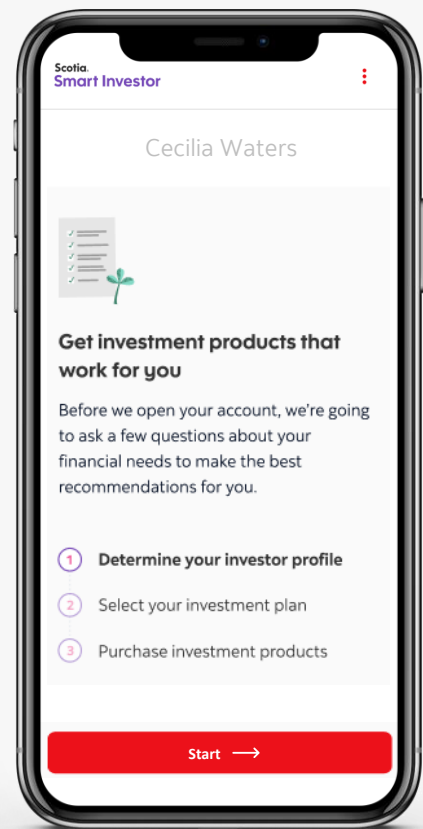
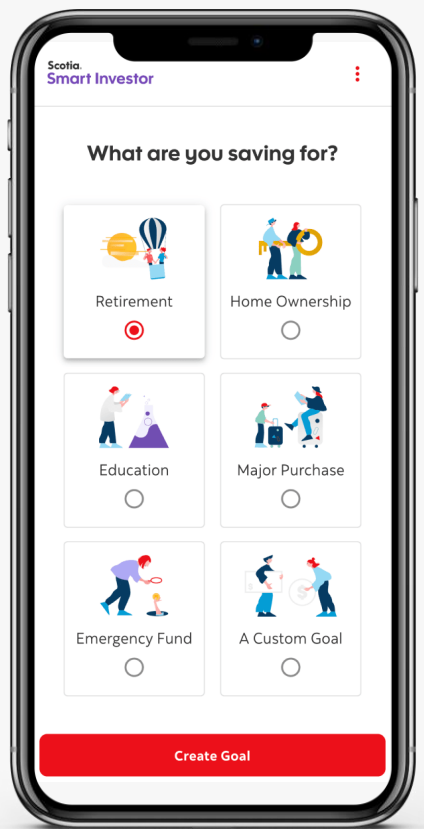
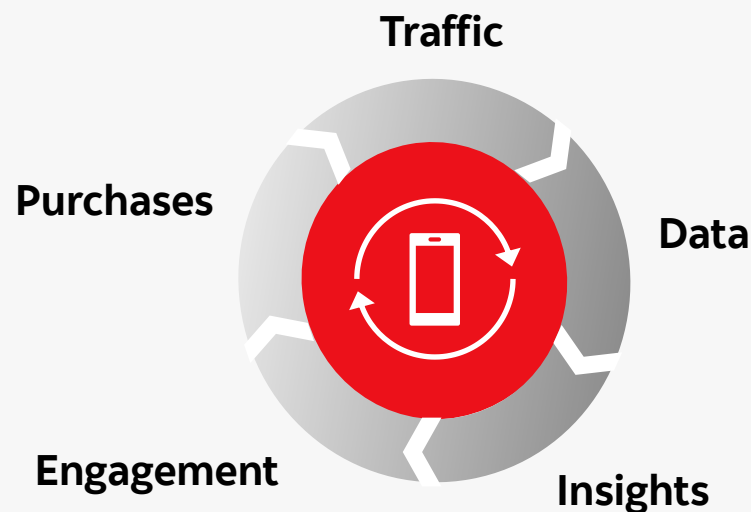
in New Balances

Fully Harnessing our Rich Scene+ Data

Note: For footnoted information refer to slides 39 to 43

# Make it Easy | Delivering a more seamless experience for our clients on mobile

## THE MOBILE FLYWHEEL



## F28 OBJECTIVES

**25%+**  
**Mobile Unit Sales**  
From ~11% today

**30%+**  
**Digital & Virtual Sales by Revenue<sup>1</sup>**  
From ~10% today

Note: For footnoted information refer to slides 39 to 43

# Make it Easy | Providing convenient support and advice across channels

## HIGH ASSIST (Contact Centre)

Convenient support and advice, accessible anywhere, also catering to more complex needs



Scotiabank  
Global Business  
Services - Colombia

## HIGH TOUCH (Branch)

Personalized, high-quality, in-person advice for more complex client needs; diminishing transactions



3446 Yonge St  
Toronto

### F28 OBJECTIVES

**~15MM+**

# of AI Assisted Interactions<sup>1</sup>  
From ~1MM today

**~20**

Contact Centre Service  
FTE per 100k Clients  
From ~30 today

### F28 OBJECTIVES

**+25-30%**

Sales Volume  
Per Advisor

**60%+**

Sales FTE /  
Total Branch FTE  
From ~50% today

Note: For footnoted information refer to slides 39 to 43

# Make it Easy | Expanding sales coverage and improving salesforce effectiveness

## KEY LEVERS TO ACHIEVE F28 OBJECTIVE



### SALESFORCE EFFECTIVENESS & PRICING

Leverage analytics to optimize pricing, provide higher quality sales leads, and improve overall sales performance

**+25-30%**

Sales Volume per Advisor



### VIRTUAL & MOBILE EXPANSION

Expand sales coverage by scaling our Virtual and Mobile capabilities especially client onboarding

**30%+**

Revenue from Digital & Virtual Sales<sup>1</sup>



### NETWORK OPTIMIZATION

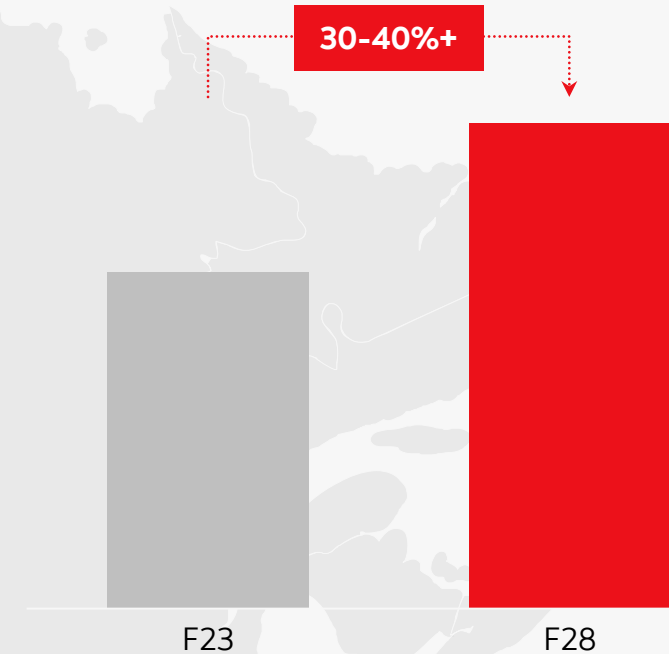
Optimize physical footprint and increase the number of “branch-based specialists”

**10-15%**

Reduction in Real Estate

## SALESFORCE EFFECTIVENESS OBJECTIVE

Retail Banking Revenue<sup>2</sup> / FTE<sup>3</sup>



# **Our New Way Forward Commercial Banking**

# Our Progress | We have made solid progress against commitments to grow Commercial Banking

## IN 2020, WE COMMITTED TO...



**Expand our salesforce** to close the gap with peers, with emphasis on **high-value markets**



**Deepen client relationships** through tailored, **specialized advice**



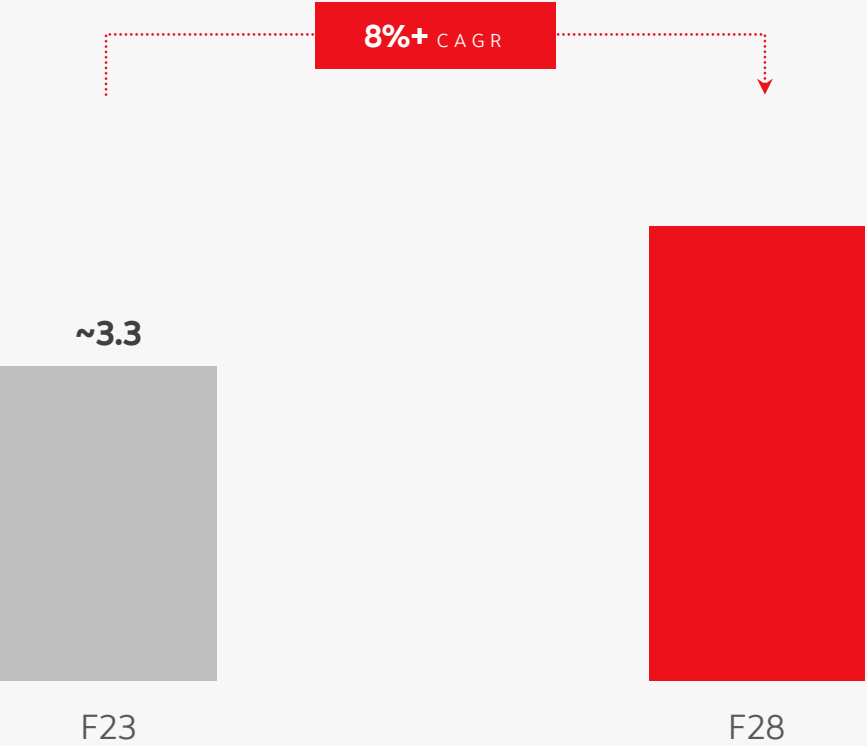
**Invest in core platforms** to **digitize and simplify** sales processes

## SINCE 2020, WE HAVE...

- › Added over 200 sales FTE to **outgrow our competitors**, particularly in Quebec & BC
- › **Developed several industry specializations**, outgrowing competitors in our focus areas
- › More than **doubled our referrals with Wealth** since F19
- › **Developed a fully integrated Commercial banking platform system** with plans to digitize onboarding

# Our Ambition | Earnings growth driven by higher salesforce productivity, increasing penetration in underserved markets

## BUSINESS BANKING GROWTH OBJECTIVE<sup>1</sup> (REVENUE, \$Bn)



## MEDIUM-TERM STRATEGIC METRICS

**2x**  
**Commercial Salesforce Effectiveness**  
Double the time that RMs are spending with clients

**10%+**  
**Commercial Banking Non-Interest Revenue Growth**  
(ex. Bankers' Acceptances and Private Equity Gains)

**100%**  
**of Commercial RMs having closed referrals<sup>2</sup>**  
From ~40% today

**30%**  
**Commercial Banking Client Primacy**  
From 22% today

Note: For footnoted information refer to slides 39 to 43

# Grow & Scale | Improving front-line sales effectiveness and increasing capacity in underserved areas will help us further scale

## We have invested in our core platforms...



### Salesforce

Best-in-class CRM serving as the foundation of our integrated platform



### nCino

Fully digitized commercial credit origination process

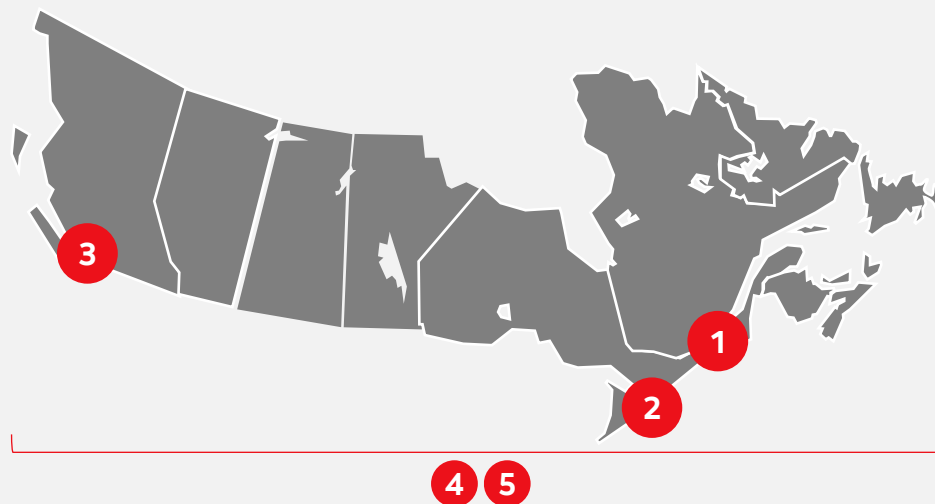


### PrecisionLender

Real-time pricing recommendations powered by machine learning

**Our investments over the past three years will improve sales capacity and effectiveness**

## ... and intend to increase RM capacity in key focus areas



**We will focus on sales effectiveness and increase resources in under-represented geographies and segments**

- 1 Quebec
- 2 Ontario
- 3 British Columbia
- 4 Mid-Market
- 5 Payments & Cash Management

## Priority Segments



Technology



Healthcare



Logistics & Transport



Public Sector<sup>1</sup>



Roynat Capital



## Earn Primary Clients | Our approach to growing primary clients is multi-faceted

### GROW COMMERCIAL BANKING CLIENT PRIMACY

22%  
Today



30%  
By F28

#### IMPROVE SALESFORCE EFFECTIVENESS & PRICING



Relationship focus & time spent with clients



Performance management, training, and incentives



Insight-driven analytics

#### EXPAND COVERAGE & INDUSTRY SPECIALIZATIONS



Payments, cash management & payroll banking



Expand salesforce in underserved markets



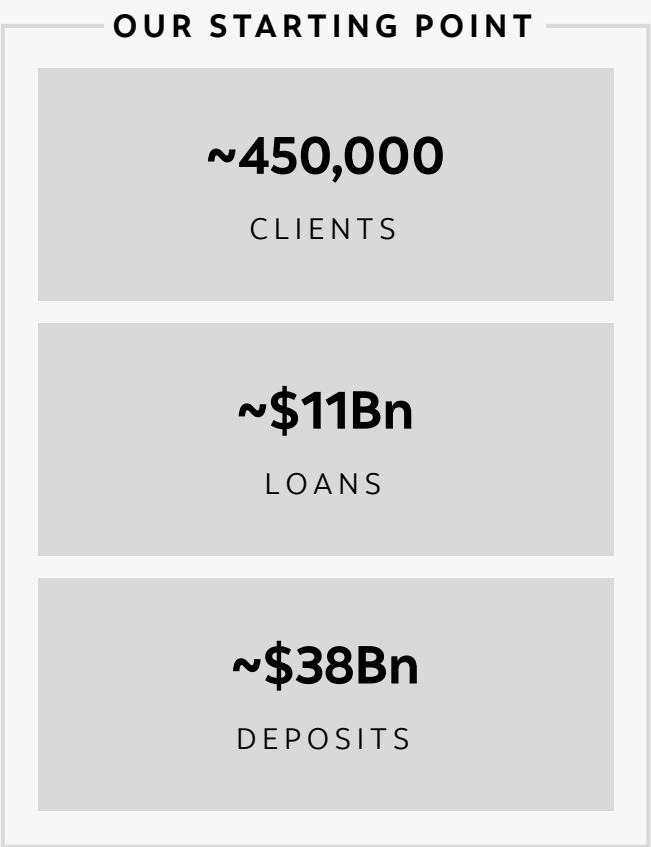
Multinational banking platform

► Primary clients have **~3x higher revenue**, **~3x higher deposits**, and **~5x higher non-lending revenue**

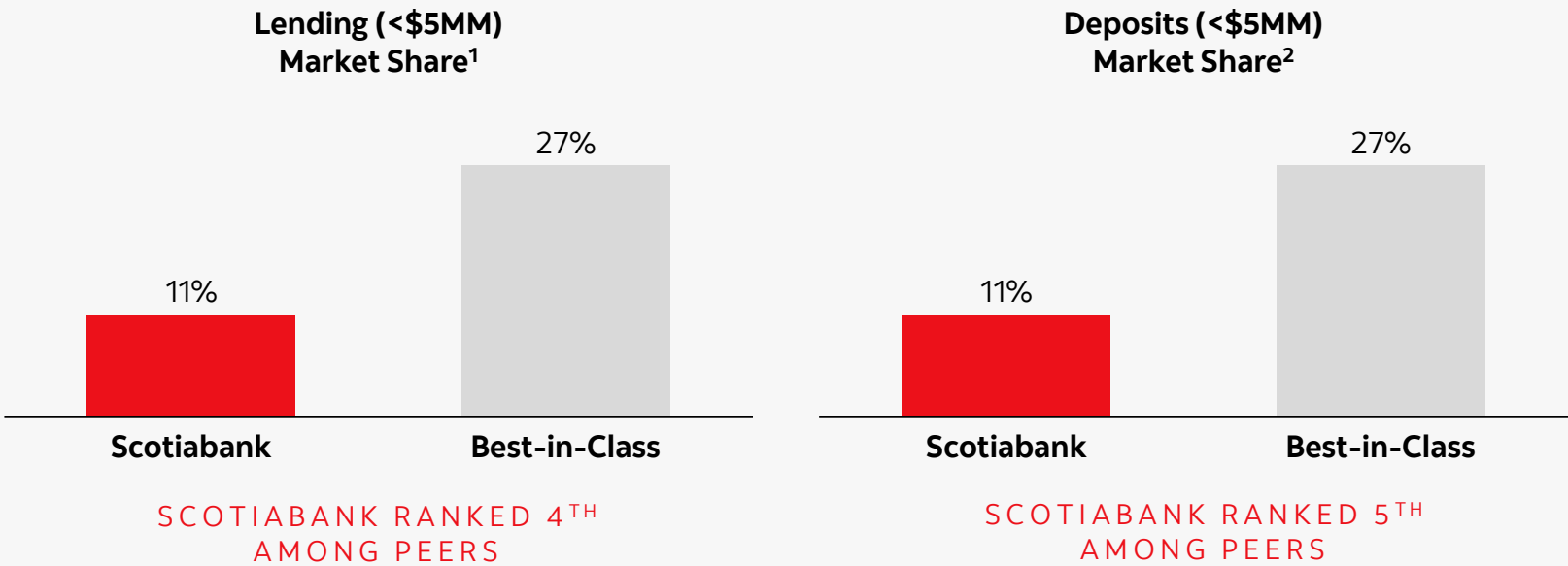
# **Our New Way Forward**

## **SME Banking**

# Grow & Scale | Enhancing digital onboarding and lending capabilities driving growth in this highly profitable business



Meaningful opportunity to build primacy and capture share with SME clients



Improving our margin as we capture share with a focus on value

Note: For footnoted information refer to slides 39 to 43

# **Make it Easy | Intensify focus on our foundation and digital to increase the overall contribution of the SME segment to our Canadian franchise**

## **F28 OBJECTIVES**

**30%**

**SME Banking  
Client Primacy**  
From 22% today

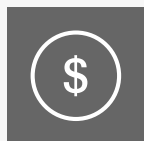
**9%+**

**Loans**  
5-Year CAGR

**6%+**

**Deposits**  
5-Year CAGR

## **GROWTH LEVERS**



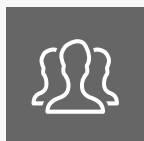
### **Salesforce Effectiveness**

Improved performance management, training, and incentives to help our advisors spend more time with and deliver more value to our clients



### **Digital First**

Onboard and engage clients with simple, user-friendly digital channels integrated with partner ecosystems



### **Expand Virtual Salesforce**

Grow our virtual salesforce to serve smaller clients more conveniently and at lower cost, and expand our reach across Canada to serve more remote clients



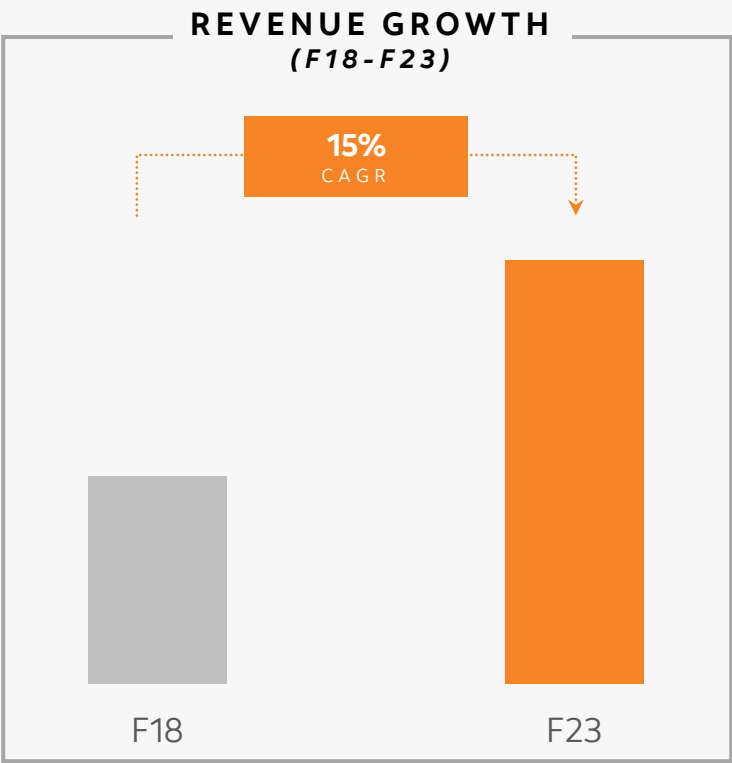
### **Digitize Front-to-Back Processes**

Digitize processes and channels to improve productivity and straight through processing while streamlining client onboarding to improve client experience

# **Our New Way Forward Tangerine**

# Tangerine Today | With over 2MM clients, Tangerine has shown strong growth on the back of a strong digital foundation

## Tangerine success to date...



Note: For footnoted information refer to slides 39 to 43

# The Differentiators | Highly differentiated business model primed to disrupt the competition and gain more clients and market share

## HIGHLY TRUSTED BRAND



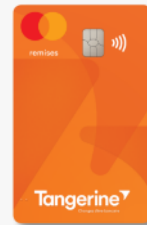
**#1 Midsized bank** in **J.D. Power Personal Banking Satisfaction Study**

## DIGITAL STRENGTH WITH MOBILE LEADERSHIP



**~4x** industry average for **mobile sales**

## RELEVANT WITH GREAT VALUE



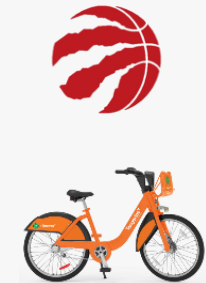
**Award-winning** no-fee cash-back card

## SUPERB CLIENT EXPERIENCE



**~5 minutes to complete** client on-boarding

## LEADING PARTNERSHIPS



**High-profile partnerships** driving acquisition

# Earn Primary Clients | Opportunity to increase engagement of our client base and diversify our revenue streams

## PRODUCT PENETRATION

	F18 PENETRATION		F23 PENETRATION		MARKET PENETRATION <sup>1</sup>
Chequing Accounts	36%	vs.	52%	vs.	94%
Credit Cards	10%	vs.	22%	vs.	84%
Investment Products	6%	vs.	6%	vs.	30%

## PRIORITY INITIATIVES



### CLIENT ACQUISITION

Leveraging our **advanced digital marketing engine** to attract substantially more clients

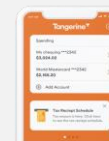
Enhancing our **product offerings and offer personalization** to diversify our revenue base



### RELATIONSHIP DEEPENING

**Innovative investment solutions and digital advice to capture primacy** and grow fees

Provide **tools and education to engage clients** and help them make **sound decisions**



### MOBILE-FIRST APPROACH

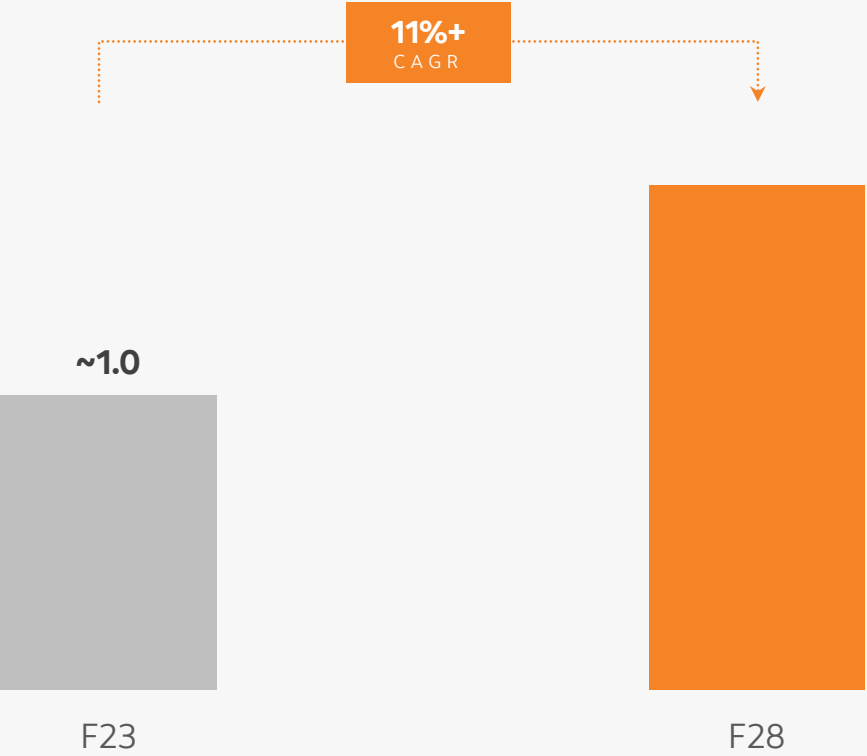
**Lead with mobile** as the primary channel to drive **superior client experience** for all sales & service

Invest in technology and tools to **leverage client data, remove pain points** and **advise clients**



# Our Ambition | To continue to be Canada’s leading digital bank with industry-leading client satisfaction

## TANGERINE GROWTH OBJECTIVE (REVENUE, \$Bn)



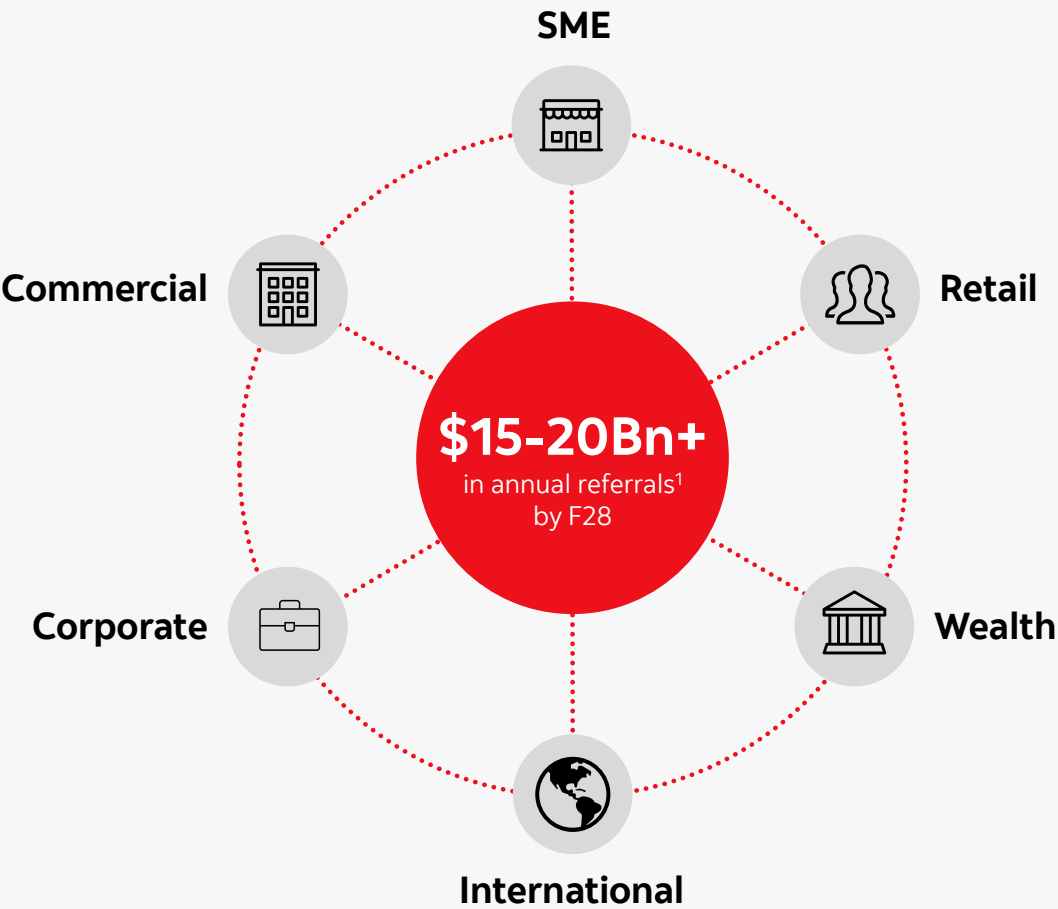
## MEDIUM-TERM STRATEGIC METRICS



Note: For footnoted information refer to slides 39 to 43

# Win as One Team

# Deliver the Whole Bank | We intend to leverage all our “assets” to deliver the entire Bank to our clients



## KEY OPPORTUNITIES



**Promoting more referrals** between Retail Banking, SME Banking, Commercial Banking, and Wealth



**Capturing share in Retail Mutual Funds** and ETFs through an enhanced product shelf and digital advice



**Acquiring and deepening relationships with Professionals** supported by our all-Bank offering including MD Financial



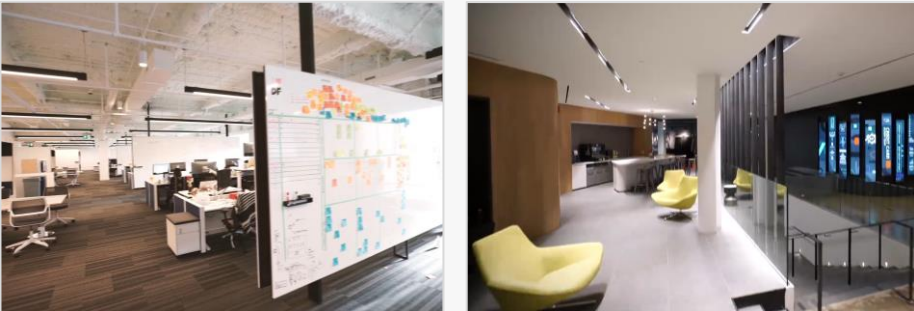
**Earning the retail primacy of our Commercial clients' employees** supported by value-added offers



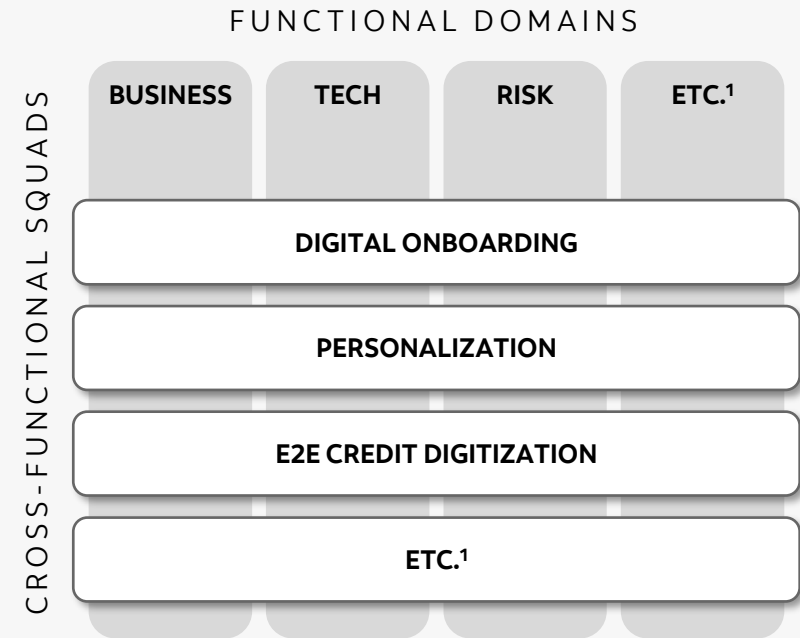
**Enhancing our shared Payments and Cash Mgmt. infrastructure** to benefit the Whole Bank

# Execution | Leverage our experience in the Digital Factory to drive agile best practices across Canadian Banking and change how we execute

WE HAVE FULLY INTEGRATED OUR DIGITAL FACTORY INTO THE BUSINESS...



...TO ACCELERATE AGILE DELIVERY ACROSS KEY CLIENT JOURNEYS...



TO IMPROVE EXECUTION

-  Cross Functional Teams
-  Continuous Improvement
-  Single Point Accountability
-  Performance & Client Obsession

Note: For footnoted information refer to slides 39 to 43

# Our Ambition | Medium-term objectives for Canadian Banking

## MEDIUM-TERM FINANCIAL OBJECTIVES<sup>1</sup>

Earnings growth <sup>2</sup> , 5-Year CAGR	9%+
Return on equity	~24%
Risk-adjusted margin	2.4%
Productivity ratio	~44%

## MEDIUM-TERM STRATEGIC METRICS

Canadian Banking primary client growth	1MM+
Deposit & retail investment growth, 5-Year CAGR	7%+
Share of revenue from Digital & Virtual	30%+
Closed referrals annually across Canadian Retail, Commercial, Wealth	\$15-20Bn
Retail competitive NPS	Top NPS

Note: For footnoted information refer to slides 39 to 43

# KEY TAKEAWAYS

- We aim to be **Canada's most trusted and data-driven bank with market-leading client advocacy, and sustainable growth in earnings<sup>1</sup> and return on equity**
- **Doubling down on Canadian Banking**, increasing our annual investment to **drive ~50% of all-bank earnings<sup>1</sup> growth**
- **Focused on increasing primary clients across all business lines** while gaining share in key product areas (e.g., deposits, payments, investments, insurance) and **lowering our overall cost of funds**
- **Increase salesforce effectiveness** among our Branch Advisors and Relationship Managers with a renewed focus on core foundational capabilities including sales specialization, pricing discipline, and performance management
- Continue **digitizing key client journeys and processes** and **harnessing data** to deliver more seamless and engaging experiences for our clients – with an emphasis on mobile
- **Improve execution by accelerating agile delivery** with cross-functional teams and horizontal end-to-end single point accountability

# End Notes

The Bank prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), which form the Generally Accepted Accounting Principles (GAAP). In addition, the Bank uses a number of financial measures and ratios to assess its performance, as well as the performance of its operating segments. Some of these financial measures and ratios are presented on a Non-GAAP basis, meaning they are not calculated in accordance with GAAP, not defined by GAAP, do not have standardized meanings and therefore might not be comparable to similar financial measures and ratios disclosed by other issuers. The Bank believes that Non-GAAP measures and ratios are useful as they provide readers with a better understanding of how management assesses performance

## Across the Presentation

- Financials are on a full year reported basis unless indicated otherwise
- For further information on Interest Rate assumptions, see page 19 of Investor Day Financial Overview presentation

## Slide 3

1. Net income attributable to equity holders
2. Please refer to Non-GAAP Measures on pages 20-26 of Management's Discussion & Analysis in the Bank's 2023 Annual Report, available on [www.sedarplus.ca](http://www.sedarplus.ca), for an explanation of the composition of the measure and a quantitative reconciliation. Such explanation and reconciliation are incorporated by reference hereto

## Slide 4

1. Net income attributable to equity holders
2. Clients across Retail, Commercial, SME and Tangerine
3. Average Total Loans and Acceptances
4. Average Total Deposits
5. Please refer to pages 136-138 of Management's Discussion & Analysis in the Bank's 2023 Annual Report, available on [www.sedarplus.ca](http://www.sedarplus.ca), for an explanation of the composition of the measure
6. Please refer to Non-GAAP Measures on pages 20-26 of Management's Discussion & Analysis in the Bank's 2023 Annual Report, available on [www.sedarplus.ca](http://www.sedarplus.ca), for an explanation of the composition of the measure and a quantitative reconciliation. Such explanation and reconciliation are incorporated by reference hereto. Please refer to Non-GAAP Measures reconciliations starting on page 44 of this presentation.

## Slide 5

1. Includes Sales Staff & Sales Leaders
2. All assisted interactions including inbound calls, outbound calls, chat, etc.
3. Average Total Loans and Acceptances
4. Average Total Deposits

# End Notes

## Slide 6

1. Includes Tangerine
2. Based on quarterly financial disclosure of Big Five banks composed of Royal Bank of Canada (RBC), Toronto-Dominion Bank (TD Bank), Bank of Nova Scotia (Scotiabank), Bank of Montreal (BMO), and Canadian Imperial Bank of Commerce (CIBC)
3. Auto finance market share ranking based on CBA data
4. Estimated ranking of mutual fund AuM in branch channel based on IFIC data, competitor disclosures, and internal financial information and analysis
5. Insurance market share based on all-bank insurance revenue sourced from 2023 annual reports of Big Five banks
6. In quarterly financial disclosures personal loans include auto lending
7. Based on quarterly financial disclosure of non-personal lending of Big Five banks
8. Based on deposit balances <\$5MM, CBA data
9. Based on deposit balances \$5-100MM, CBA data
10. Excludes Tangerine
11. BCG Retail and Wholesale Banking Excellence Benchmark
12. Total staff in Retail banking including branch, head office, operations, contact centre and SME teams
13. Core products include chequing, savings, credit cards, mortgage, personal loans, SLOC, and auto
14. As a % of Tangerine's F23 revenue
15. % of delivery work in agile as measured by spend

## Slide 7

1. All numbers stated on this page exclude Tangerine
2. 38% of all ~14MM Scene+ members have a Scotiabank product
3. Net income attributable to equity holders

## Slide 9

1. Net Promotor Score

## Slide 11

1. As compared to Investment from F18-F23



# End Notes

## Slide 12

1. The Bank believes that this measure is useful for readers as it measures the return the loan portfolio net of the provision for credit losses. Please refer to Non-GAAP Measures reconciliations starting on page 44 of this presentation. Refers to F28 objective for risk-adjusted margin.

## Slide 13

1. Medium-term means F28 for ROE, risk adjusted margin, and productivity
2. Net income attributable to equity holders

## Slide 15

1. In-year sales revenue generated through digital, self-serve (e.g., mobile, web) and virtual channels (e.g., virtual advisors)

## Slide 16

1. Primary clients are defined as clients for whom we meet their core banking needs, with ongoing usage of our products and services, and are engaged digitally
2. Near primary clients represent 30% of our client base that have a D2D account but do not meet the other criteria

## Slide 17

1. Empire Launch occurred Q4 F22
2. Includes enrollments through Scene+

## Slide 18

1. In-year sales revenue generated through digital, self-serve (e.g., mobile, web) and virtual channels (e.g., virtual advisors)

## Slide 19

1. Examples of AI assisted interactions include: Chatbot (in place), virtual voice assistant, advisor knowledge assist, call summarization / insights, AI driven retention modelling, etc.

# End Notes

## Slide 20

1. In-year sales revenue generated through digital / self-serve (e.g., mobile, web) and virtual channels (e.g., meeting with an advisor remotely through video chat)
2. Includes total Retail Banking revenue generated through all channels, as a measure of overall retail sales effectiveness
3. FTE supporting Retail Banking

## Slide 23

1. Includes Commercial and SME
2. Completed referrals with other areas of the bank including Retail, Wealth, GBM, International, etc.

## Slide 24

1. Including municipalities, universities, schools and hospitals

## Slide 27

1. Based on lending balances <\$5MM, CBA data
2. Based on deposit balances <\$5MM, CBA data

## Slide 30

1. Core product sold digitally / total core product sold, Core sales are given as sales of chequing accounts, savings accounts, credit cards, mortgages, home equity loans, auto loans and unsecured personal loans

## Slide 32

1. Proportion of Canadian households with product (Environics)

## Slide 33

1. Big Five banks composed of Royal Bank of Canada (RBC), Toronto-Dominion Bank (TD Bank), Bank of Nova Scotia (Scotiabank), Bank of Montreal (BMO), and Canadian Imperial Bank of Commerce (CIBC)

# End Notes

## Slide 35

1. Between Canadian Retail, SME, Commercial, Wealth and other business lines

## Slide 36

1. Includes Commercial and SME

## Slide 37

1. Medium-term means F28 for ROE, productivity, and risk adjusted margin
2. Net income attributable to equity holders

## Slide 38

1. Net income attributable to equity holders

# Reconciliation for Non-GAAP Financial Measures

\$MM (unless indicated otherwise)	F23
<b>Reported average total assets<sup>1</sup></b>	<b>449,555</b>
Less: Non-earning assets	4,035
<b>Average total earning assets<sup>1</sup></b>	<b>445,520</b>
Less: Deductions	29,273
<b>Average core earning assets<sup>1</sup></b>	<b>416,247</b>
<b>Reported net interest income</b>	<b>9,756</b>
Less: Non-core net interest income	-
<b>Core net interest income</b>	<b>9,756</b>
Less: Provision for credit losses	1,443
<b>Risk adjusted net interest income on core earning assets</b>	<b>8,313</b>
<b>Risk Adjusted Margin</b>	<b>2.00%</b>

\$MM (unless indicated otherwise)	F18
Net Income Attributable to Common Shareholders	3,527
Average Common Equity	13,681
<b>Return on Equity</b>	<b>25.8%</b>

1. Average balances represent the average of daily balances for the period