



Investor Presentation

Third Quarter 2019

Scotiabank®

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, our public communications often 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, 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 2018 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,” “foresee,” “forecast,” “anticipate,” “intend,” “estimate,” “plan,” “goal,” “project,” and similar expressions of future or conditional verbs, such as “will,” “may,” “should,” “would” and “could.”

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; 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; changes to our credit ratings; 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; 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; disruptions in or attacks (including cyber-attacks) on the Bank’s information technology, internet, network access, or other voice or data communications systems or services; 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; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; 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 2018 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 2018 Annual Report under the headings “Outlook”, as updated by quarterly reports. The “Outlook” 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.sedar.com and on the EDGAR section of the SEC’s website at www.sec.gov.

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Scotiabank Overview

Scotiabank®

Canada's International Bank

Top 10 Bank in the Americas^{1,2}

Americas

7th largest bank by assets¹

9th largest bank by market capitalization¹



Europe



Asia

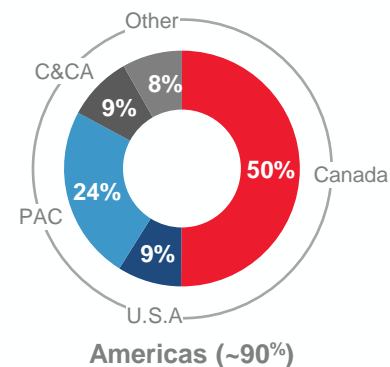


Scotiabank ³	FY 2019 Q3 YTD	Change YTD/YTD
Revenue	\$23.2B	+9%
Net Income	\$7.0B	+3%
Return on Equity	13.9%	-130 bps
Operating Leverage ⁴	-1.2%	n.a.
Productivity Ratio	52.7%	+160 bps
Total Assets	\$1.1T	+12.7%

Ranking by Market Share⁵

USMCA	Canada	#3
	USA	Top 10 Foreign Bank
PAC	Mexico	#6
	Peru	#3
	Chile	#3
	Colombia	#6

Earnings by Geography^{3,6}

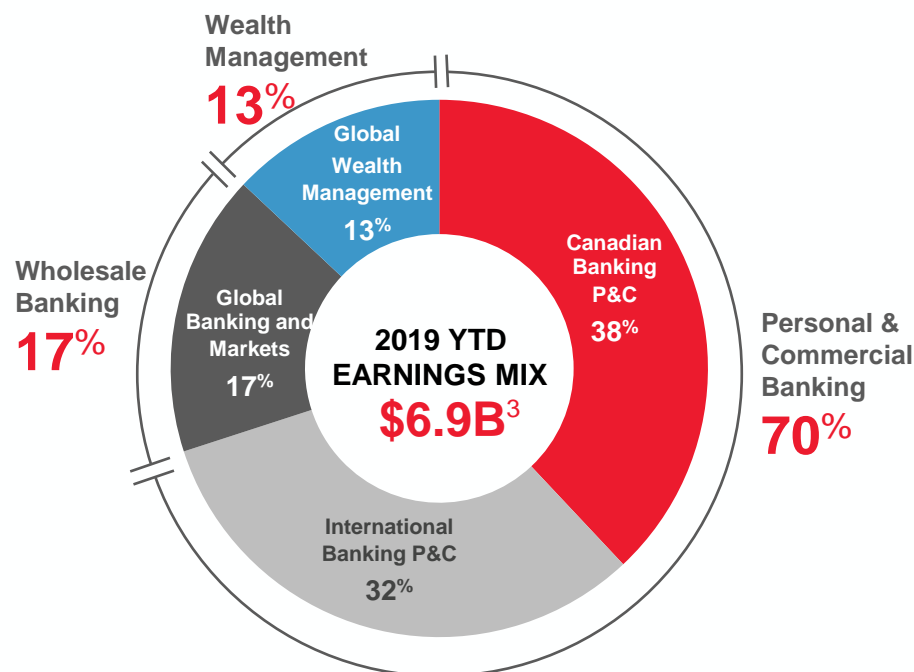


¹ Source: Bloomberg August 21, 2019; ² By assets and market capitalization; ³ Figures adjusted for Acquisition and divestiture-related amounts, including integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and net loss on divestitures and related costs; ⁴ Exclude employee benefits re-measurement credit of \$203MM pre-tax, \$150MM after-tax in Q1/18; ⁵ Ranking based on market share in loans as of June 2019 for PACs (incl. M&A), as of May 2019 in Canada for publicly traded banks; ⁶ For the nine months ended July 31, 2019

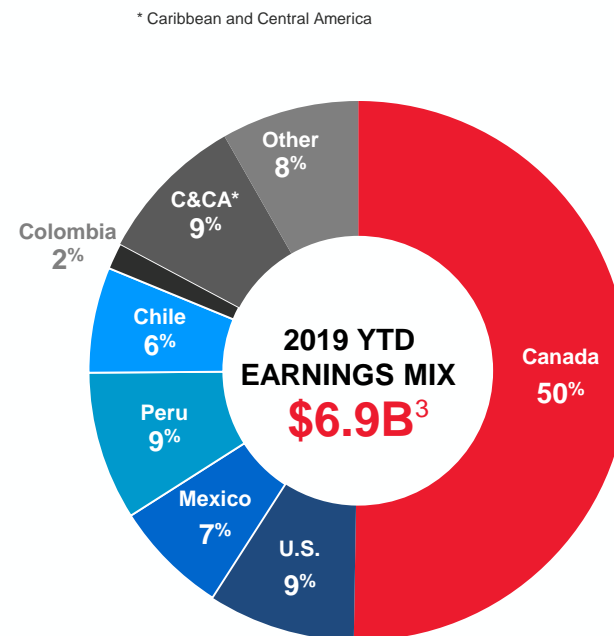
Well-Diversified and Profitable Business

Diversified by business and by geography, providing stability and lowering risk

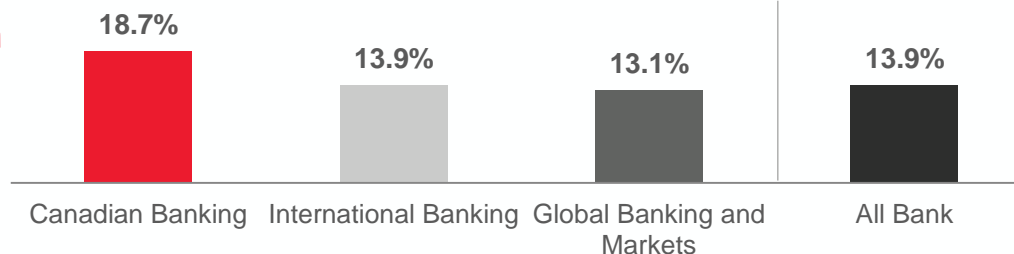
Earnings by Business^{1,2,3}



Earnings by Geography^{1,2}



Adjusted Return on Equity^{1,2} by Division



¹ Net income attributable to equity holders for the nine months ended July 31, 2019; ² Figures adjusted for Acquisition and divestiture-related amounts, including integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and net loss on divestitures and related costs; ³ Excluding Other segment

Medium-Term Financial Objectives¹

METRICS	OBJECTIVES	Q3/19 RESULTS ² (YTD/YTD Change)
ALL BANK		
EPS Growth	7%+	Flat
ROE	14%+	13.9%
Operating Leverage ³	Positive	(1.2%)
Capital	Strong Levels	11.2% (11.7% pro-forma announced divestitures)
Dividend Payout Ratio	40%-50%	48.5%
BUSINESS LINE		
CANADIAN BANKING		
Net Income Growth	7%+	+1.7%
Productivity Ratio	<49%	49.4%
INTERNATIONAL BANKING		
Net Income Growth ⁴	9%+	+15.0%
Productivity Ratio	<51%	50.5%

¹ 3-5 year objectives. ² Figures adjusted for Acquisition and divestiture-related amounts, including integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and net loss on divestitures and related costs; ³ Excludes employee benefits re-measurement credit of \$203MM pre-tax, \$150MM after-tax in Q1/18; ⁴ On a constant dollar basis

Why Invest in Scotiabank?



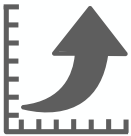
Canada's international bank
and a top 10 bank in the
Americas

- Unique footprint provides diversification with growth
- Strong balance sheet, capital and liquidity ratios
- Attractive dividend yield, return on equity and valuation



Diversified exposure to high
quality growth markets

- Leading Canadian banking franchise
- Leading bank in the Pacific Alliance growth markets of Mexico, Peru, Chile and Colombia
- Earnings growth in personal & commercial, wealth, and wholesale businesses



Increasing scale and market
share in key markets

- Gaining market share in key markets of Canada, the U.S. and the Pacific Alliance countries. Lowering operational risk with more focused footprint
- Top 3 bank in Canada, Chile and Peru
- Increasing scale in Wealth Management and Pacific Alliance with \$7B of strategic acquisitions since 2018



Improving quality of earnings
while reducing risk profile

- > 80% of earnings from core personal and commercial banking businesses. > 80% of earnings from 6 key markets
- Exited 21 countries and 11 businesses since 2013
- Strong Canadian risk management culture – building stronger capabilities for AML and cybersecurity



Enhancing competitive
advantage in technology
and talent

- Leading levels of technology investment supports digital banking strategy. Increasing digital sales and adoption with clear targets
- Well positioned in the Pacific Alliance to leverage technology, risk management, and funding versus local and global competitors
- Named to Top 25 "World's Best Workplaces" (2018)

Acquisition & Divestiture Activity

Acquisitions focused on gaining scale and improving business mix

Divestitures focused on smaller markets and less attractive operating environments



Acquisitions



Aurion Capital



Cencosud
(Chile)



JPMorgan Chase
Credit Card Portfolio



MD Financial,
Jarislowsky Fraser



Banco Progreso
(Dominican Republic)



Canadian Tire
Financial
Services



Citibank
(Peru)



Citibank (Panama)



BBVA (Chile)



Cencosud
(Peru)



Citibank (Costa Rica)



Citibank (Colombia)

Divestitures/Exits

Countries



Russia



Egypt



Turkey



Haiti



France



UAE



Vietnam



Taiwan



Thailand* (\$3.0B)



PR/USVI* (\$0.5B)



El Salvador*

- 9 Leeward Islands Countries*

Businesses



CI Financial



RoyNat Leasing



Hollis Wealth



CrediScotia
(Jamaica)



Pension & Insurance
(Dominican Republic)



Insurance*
(Jamaica, Trinidad & Tobago)



Pension* (Colombia)

* Announced and pending

Increasing Scale, Improving Focus, Lowering Risk¹

Gaining scale in key markets to drive earnings growth, improve earnings quality and reduce risk

Increasing Scale with Strategic Acquisitions (2017-2019)



Canada



MD Financial
Management
CMA Companies

JARISLOWSKY
FRASER
GLOBAL INVESTMENT
MANAGEMENT

Adds wealth management assets of \$96B.
Adds 110,000 potential primary customers.
Expands wealth management offering.



Chile

BBVA

Doubles market share.
Creates 3rd largest bank.
Further diversifies business.



Peru



Creates 2nd largest bank in credit cards.
Further diversifies business.



Colombia

citibank

Creates market leader in credit cards.



Dominican
Republic



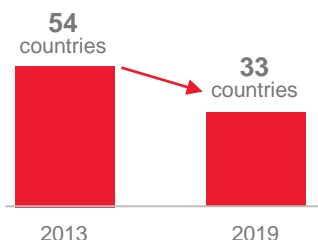
Doubles customer base.
Creates 4th largest bank.

¹ 5-year period 2014-2019

Increasing Scale, Improving Focus, Lowering Risk¹

Gaining scale in key markets to drive earnings growth, improve earnings quality and reduce risk

Reducing Risk Profile



Exited **21 countries** since 2013 with either small scale, higher operational risk, or low returns, including:

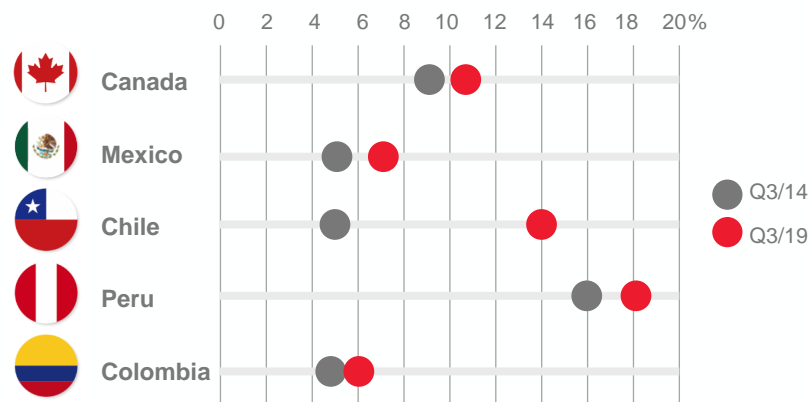
- **Middle East:** Turkey, Egypt, UAE
- **Asia:** Thailand, Vietnam, Taiwan
- **Central America:** Guatemala, El Salvador
- **Caribbean:** Haiti, Puerto Rico, USVI, and 9 of the Leeward Islands
- **Europe:** Russia, France
- Capital has been mainly redeployed into Canada and the Pacific Alliance countries and through share buyback program

Exited **11 non-core businesses** including:

- Pension benefits and administration businesses (Dominican Republic, Colombia) and lease finance (Canada)

Reduced wholesale funding (% of assets) from **>29%** in 2014 to **23%** today

Gaining Market Share (Total Loans)



Improving Earnings Quality



Increased Wealth Management assets under management by 44%² to **\$297B**

Targeting Wealth Management earnings contribution to All-Bank earnings of **15%** over the medium-term

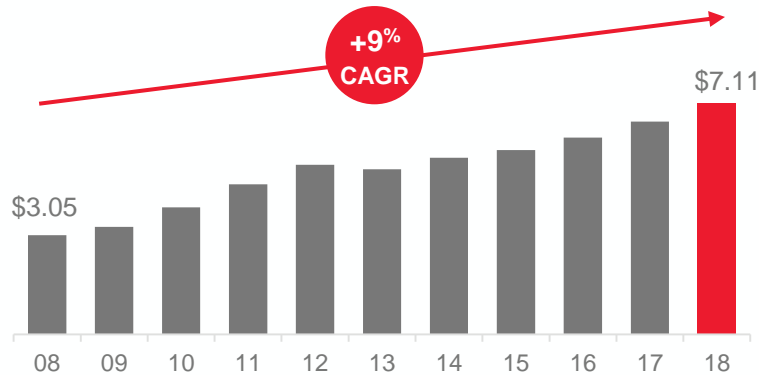
Establishing Global Wealth Management as a standalone reporting division in Q1/20

¹ 5-year period 2014-2019; ² Q4 2017 to Q3 2019

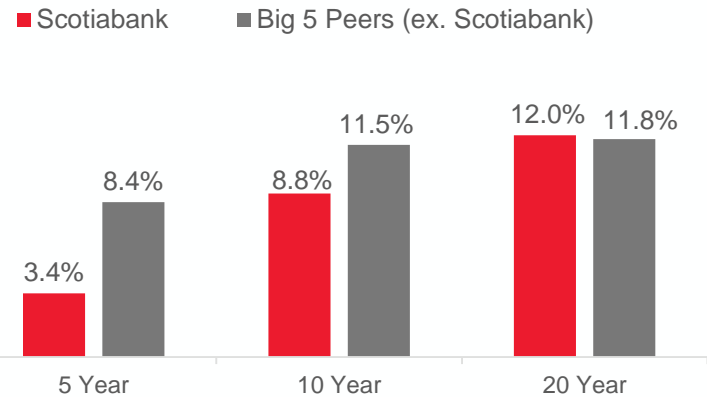
Strong Track Record of Earnings and Dividend Growth

Stable and predictable earnings with steady increases in dividends

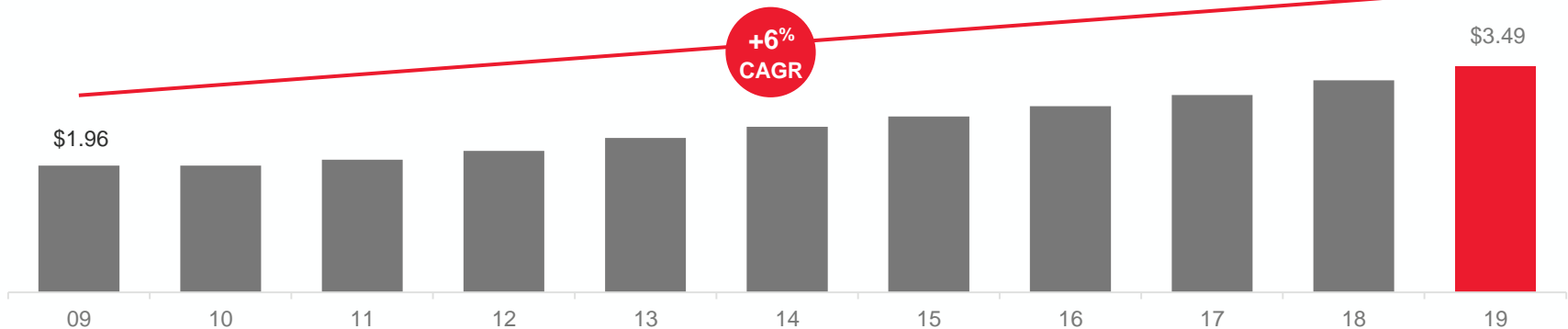
Earnings per share (C\$)^{1,2}



Total shareholder return³



Dividend per share (C\$)

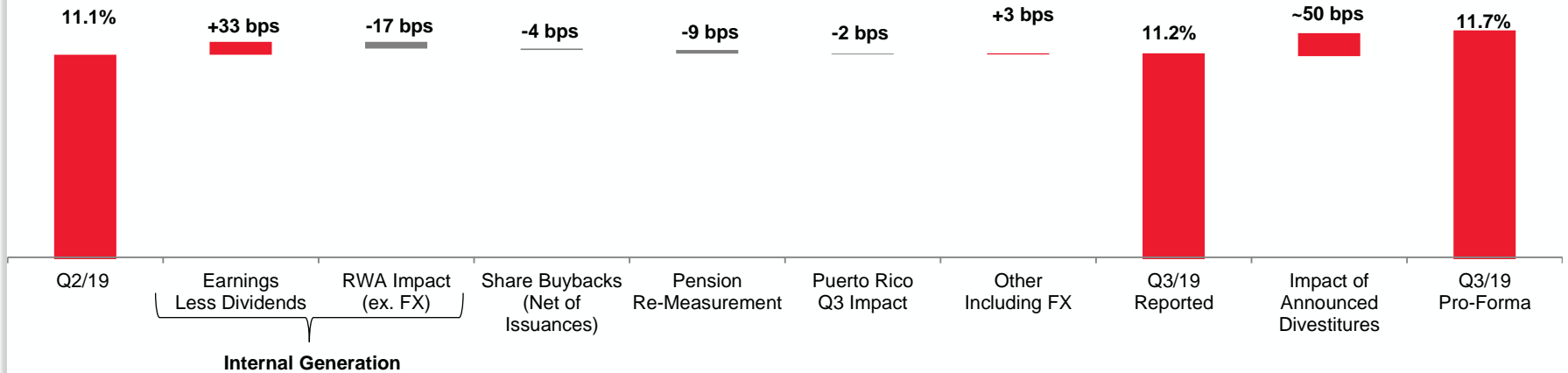


¹ Reflects adoption of IFRS in Fiscal 2011 ² Excludes notable items for years prior to 2016. For 2016 onwards, results adjusted for acquisition-related costs including Day 1 PCL impact on acquired performing loans, integration and amortization costs related to current acquisitions and amortization of intangibles related to current and past acquisitions. ³ As of July 31, 2019

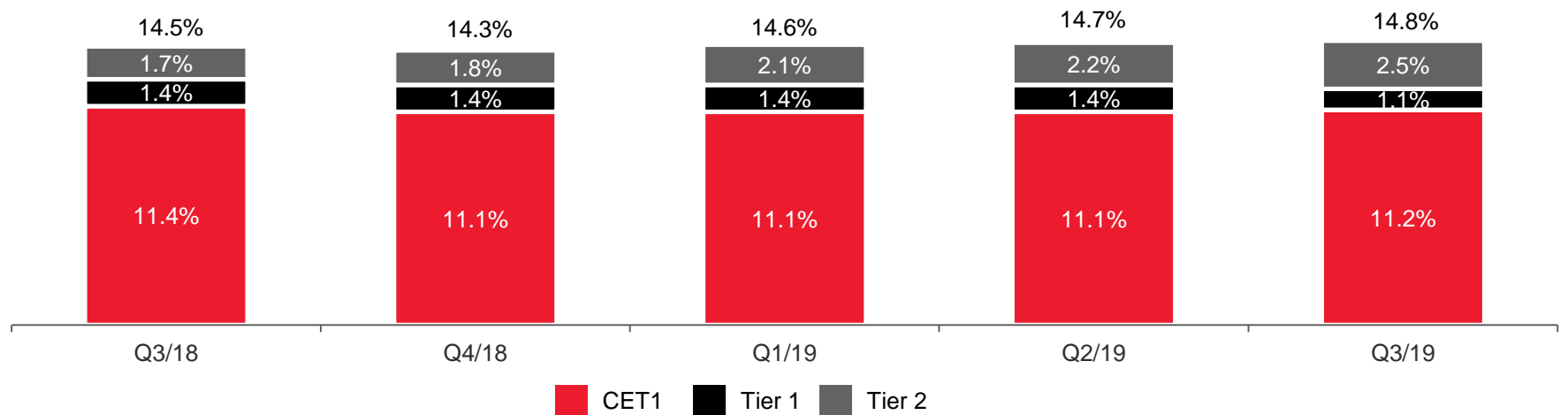
Strong Capital Generation

Clear path to higher capital ratio

CET1 Ratio



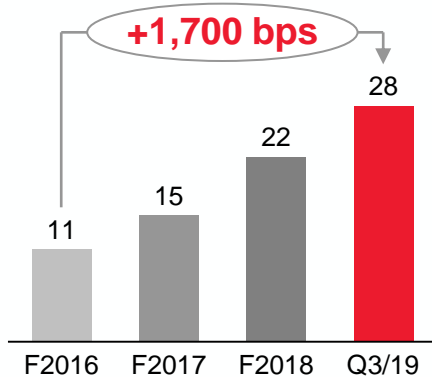
Strong Capital Levels



Strong Progress in Digital Banking

Progressing well against 2018 Investor Day digital targets

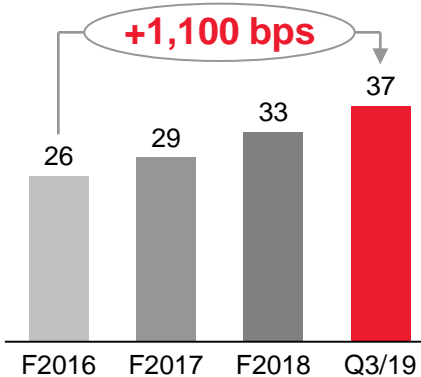
Digital Retail Sales¹



Goal
>50%

- Strong progress made across key markets; Key highlight: Chile surpassed the 50% mark in Q3/19

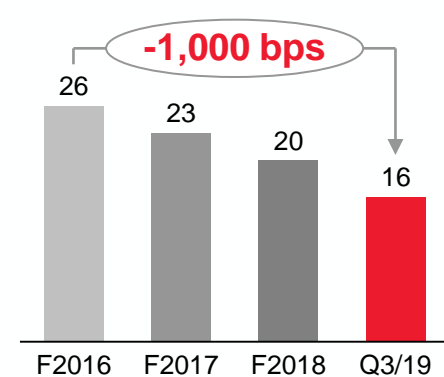
Digital Adoption²



Goal
>70%

- Adoption grew 600 bps against Q3 of last year

In-Branch Financial Transactions³



Goal
<10%

- In-branch transactions continued to decline at a steady pace

¹ Canada: F2017 22%, F2018 26%, Q3/19 30% PACs: F2017 13%, F2018 19%, Q3/19 27%

² Canada: F2017 36%, F2018 38%, Q3/19 42% PACs: F2017 20%, F2018 26%, Q3/19 32%

³ Canada: F2017 17%, F2018 15%, Q3/19 13% PACs: F2017 29%, F2018 24%, Q3/19 19%

Environmental, Social & Governance (ESG)



Environmental

- Issued inaugural **USD 500 million 3.5-year Green Bond** to support renewable energy, clean transportation and green buildings
- **\$8.5 billion** in loans and credit facilities to the renewable energy sector in 2018
- Established internal price on carbon, and on-track to achieve **greenhouse gas reduction target of 10% by 2021**
- Began integrating recommendations from the **Task Force on Climate-related Financial Disclosures** in 2018 and have reported to the CDP since 2004
- New approach to working at our head office in Toronto, Canada has **reduced square feet per employee by 40%**, and expected to reduce paper use by 86%



Social

- Launched the **Scotiabank Women Initiative** to advance women-led businesses through access to capital, education and mentorship
- **~35%** of VP+ roles and Executive positions held by women
- **\$250 million** committed over 10 years to help employees adapt to the digital economy
- Joint Lead Manager on \$1 billion World Bank **Sustainable Development Bond** to support women and youth
- First Canadian bank to adopt both the **UN Global LGBTI Standards for Business** and the **UN Women's Empowerment Principles**
- Employees volunteered **>370,000 hours** in 2018 to local causes
- **>\$80 million** donated to communities in 2018 with **70%** directed towards helping young people in the community



Governance

- First financial institution in Canada to establish a **Corporate Governance Office** (2014), with a direct reporting line to the Chair of the Board
- Updated our **Human Rights Statement** in 2019, signed by our President and CEO
- Approved **robust equity ownership requirements** for directors in 2003. These have been reviewed annually and now include additional common share ownership obligations
- Established an **independent Chair** in 2004
- Established **term limits for directors** in 2011
- Established a Board diversity policy in 2013. **38% of directors are female**
- Adopted **strict policies on director interlocks and overboarding**, which are reviewed annually

Environmental, Social & Governance (ESG)

- Member of the Dow Jones Sustainability North America Index
- Top 1% of global financial institutions for corporate governance (top 10% of banks overall)
- Top 100: 2019 *Bloomberg* Gender-Equality Index and *Thomson Reuters Diversity & Inclusion* Index
- One of the World's Best Workplaces in 2018 by *Great Place to Work*
- Scotia Global Asset Management is a signatory to the Principles for Responsible Investment



United Nations
Global Compact



The background of the slide features a technical drawing or architectural plan in light gray, overlaid on a red geometric shape at the top. The drawing includes various lines, circles, and hatching, suggesting a complex design or engineering plan.

Appendix 1:

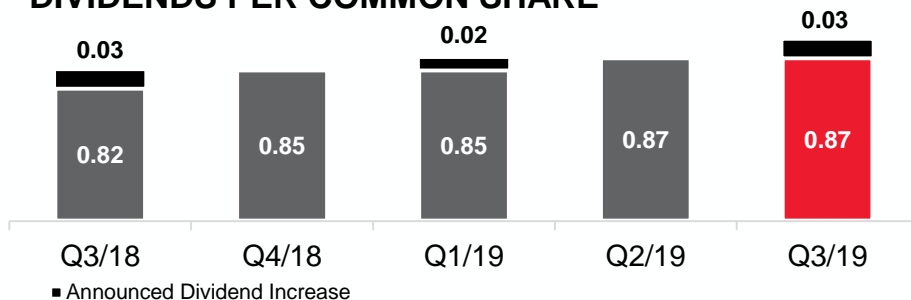
Business Line and Financial Overview

Financial Performance

Strong revenue and balance sheet growth

\$MM, except EPS	Q3/19	Y/Y	Q/Q
Reported			
Net Income	\$1,984	+2%	(12%)
Diluted EPS	\$1.50	(3%)	(13%)
Revenue	\$7,659	+7%	(2%)
Expenses	\$4,209	+12%	+4%
Productivity Ratio	55.0%	+250bps	+320bps
Core Banking Margin	2.45%	(1bp)	-
PCL Ratio ¹	48bps	(21bps)	(13bps)
PCL Ratio on Impaired Loans ¹	52bps	+11bps	+3bps
Adjusted²			
Net Income	\$2,455	+9%	+8%
Diluted EPS	\$1.88	+7%	+11%
Revenue	\$7,965	+11%	+4%
Expenses	\$4,122	+11%	+3%
Productivity Ratio	51.7%	(10bps)	(60bps)
PCL Ratio ¹	48bps	+8bps	(3bps)

DIVIDENDS PER COMMON SHARE



¹ Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

² Adjusted for Acquisition and divestiture-related amounts, including Day1 PCL impact on performing loans, integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and losses/(gains) on divestitures and related costs

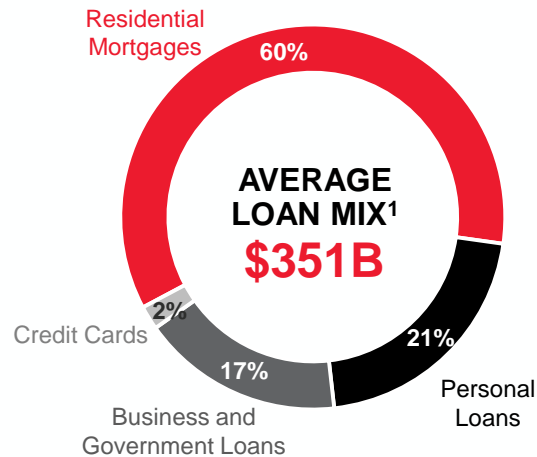
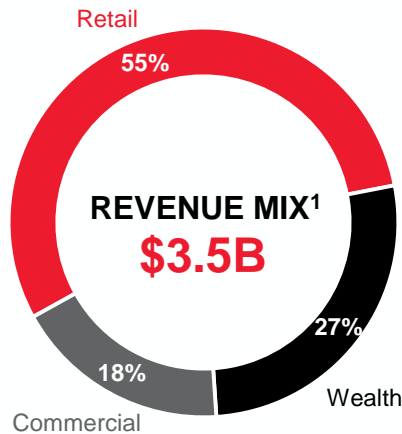
YEAR-OVER-YEAR HIGHLIGHTS

- **Adjusted Net Income up 9%²**
- **Diluted EPS up 7%²**
- **Revenue up 11%²**
 - Excluding acquisitions and IFRS15, revenue was up 5%
 - Net interest income up 7%
 - Non-interest income up 16%
- **Expenses up 11%²**
 - Mostly driven by acquisitions
 - Excluding acquisitions and the impact of IFRS15, expenses were up 4%
- **Strong deposit growth of 10% Y/Y, asset growth of 13% Y/Y**
- **Total PCL ratio increased by 8 bps**
 - Impaired PCL ratio was up 11 bps

Canadian Banking

Top 3 bank in personal & commercial banking, wealth and insurance in Canada

- Canadian Banking** provides a full suite of financial advice and banking solutions, supported by an excellent customer experience, to Retail, Small Business, Commercial Banking, and Wealth Management customers



MEDIUM-TERM FINANCIAL OBJECTIVES

	Target ²	2019 Q3 YTD ^{3,4,5}
Net Income Growth ⁶	7%+	+2%
Productivity Ratio	<49%	49.4%
<i>CB ex Wealth</i>	<45%	45.4%
<i>Wealth</i>	<65%	61.6%

STRATEGIC OUTLOOK

- Improve productivity** towards our <49% productivity ratio target (<45% ex Wealth) by 2020 supported by positive operating leverage
- Leverage data analytics** for prudent growth in higher margin credit card and small business banking
- Increase core deposits** and primary customers

¹ For the three months ended July 31, 2019; ² 3-5 year target; ³ Adjusted for Acquisition-related costs, including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions; ⁴ Reflects adoption of new accounting standard, IFRS 15; ⁵ For the nine months ended July 31, 2019; ⁶ Attributable to equity holders of the Bank

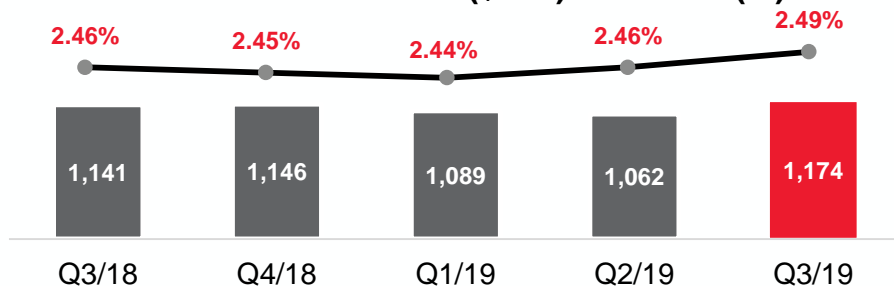
Canadian Banking Financial Performance

Margin expansion, strong deposit growth, and expense management. Strong Wealth results.

FINANCIAL PERFORMANCE AND METRICS (\$MM)¹

	Q3/19	Y/Y	Q/Q
Reported			
Net Income	\$1,160	+3%	+11%
Revenue	\$3,532	+5%	+5%
Expenses	\$1,723	+4%	+1%
PCLs	\$240	+33%	(5%)
Productivity Ratio	48.8%	(40bps)	(180bps)
Net Interest Margin	2.49%	+3bps	+3bps
PCL Ratio ²	0.27%	+6bps	(3bps)
PCL Ratio on Impaired Loans ²	0.29%	+8bps	+1bp
Adjusted³			
Net Income	\$1,174	+3%	+11%
Expenses	\$1,705	+4%	+1%
Productivity Ratio	48.3%	(50bps)	(170bps)

ADJUSTED NET INCOME^{1,3} (\$MM) AND NIM (%)



¹ Attributable to equity holders of the Bank

² Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

³ Adjusted for Acquisition-related costs, including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

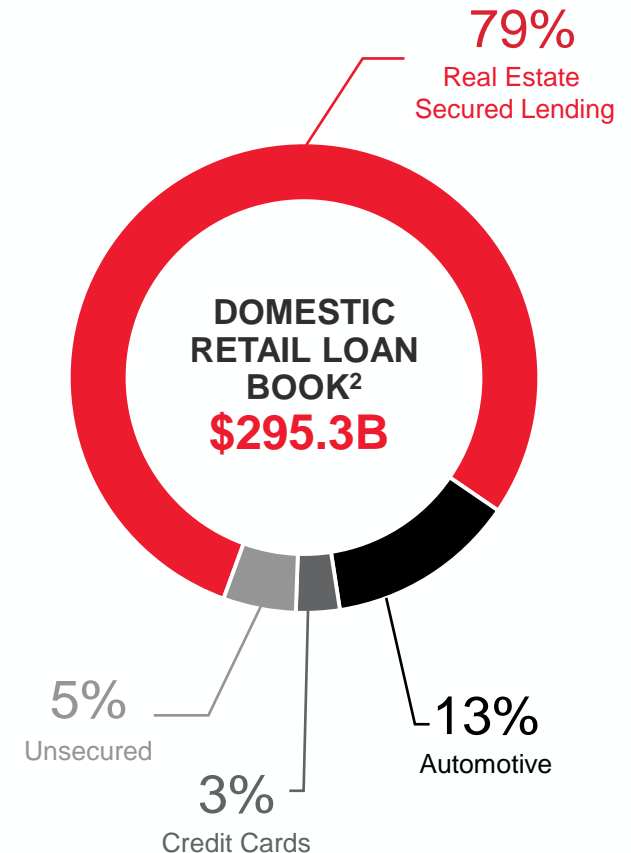
YEAR-OVER-YEAR HIGHLIGHTS

- **Adjusted Net Income up 3%³**
 - Lower real estate gains reduced net income by 2%
 - Margin expansion
 - Wealth Management results up 20%
- **Revenue up 5%**
 - Net interest income up 5%
 - Excluding M&A and IFRS 15, revenue was up 3%
- **Loan growth of 4%**
 - Residential mortgages up 3%; credit cards up 7%
 - Business loans up 10%
- **Deposit growth of 10%**
 - Personal up 7%; Non-Personal up 17%
- **NIM up 3 bps**
 - Primarily driven by the impact of prior rate increases
- **Expenses up 4%³**
 - Investments in technology and regulatory initiatives
 - Excluding M&A and IFRS15, expenses were up 1%
- **Quarterly operating leverage of +1.1%³**
- **PCL ratio² up 6 bps to 27 bps**

Canadian Banking: Retail Loan Portfolio

High quality retail loan portfolio: ~92% secured

- **High quality residential mortgage portfolio**
 - 40% insured; remaining 60% uninsured has a LTV of 55%¹
- **Market leader in auto loans**
 - \$37.5 billion auto loan portfolio with 7 OEM relationships (3 exclusive)
 - Prime Auto and Leases (~91%)
 - Stable lending tenor with contractual terms for new originations averaging 77 months (6.4 years) with projected effective terms of 53 months (4.4 years)
- **Growth opportunity in credit cards**
 - \$7.7 billion credit card portfolio represents ~3% of domestic retail loan book and 1.3% of the Bank's total loan book
 - Organic growth strategy focused on payments and deepening customer relationships
 - Upside potential from existing customers: ~80% of growth is from existing customers (penetration rate mid-30s and trending up versus peers in the low-40s)
 - Strong risk management culture with specialized credit card teams, customer analytics and collections focus



¹ LTV calculated based on the total outstanding balance secured by the property. Property values indexed using Teranet HPI data.

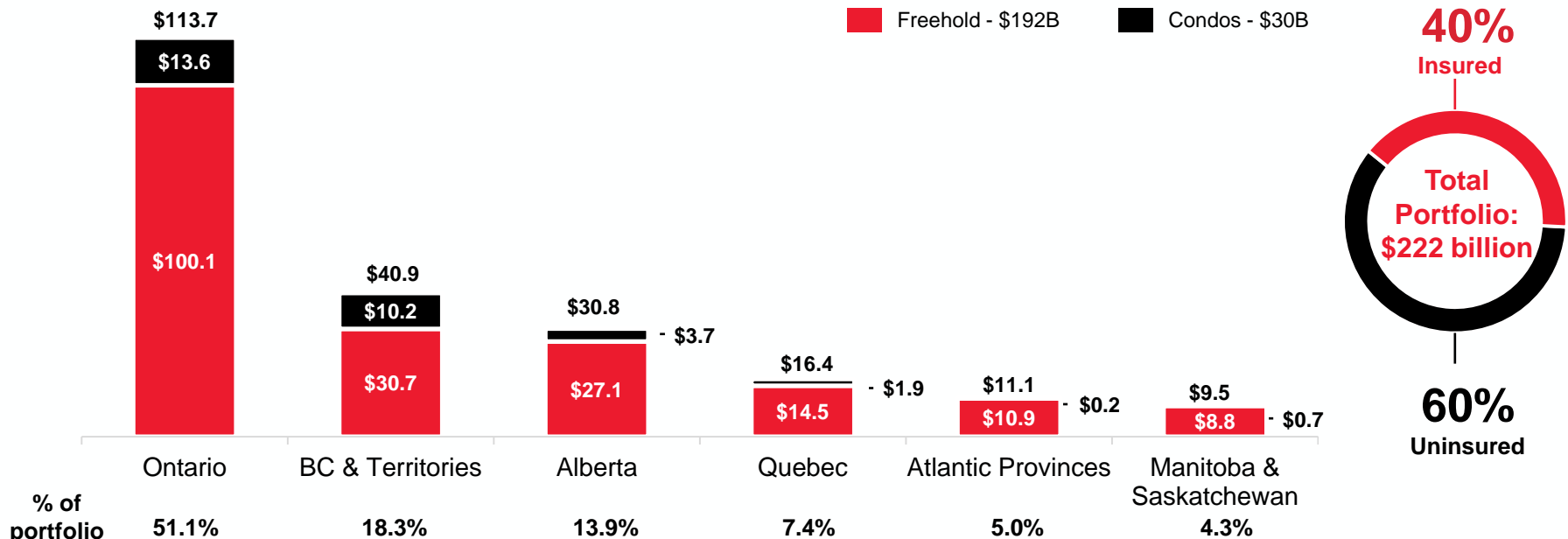
² Spot Balance as of July 31, 2019

Canadian Banking: Residential Mortgages

High quality, diversified portfolio

- **Residential mortgage portfolio of \$222 billion: 40% insured; LTV 55% on the uninsured book¹**
 - Mortgage business model is “originate to hold”
 - New originations² in Q3/19 had average LTV of 64%
 - Majority is freehold properties; condominiums represent approximately 13.5% of the portfolio
- **Three distinct distribution channels: All adjudicated under the same standards**
 - 1. Broker (~64%); 2. Branch (~17%); and 3. Mobile Salesforce (~19%)
 - **eHOME:** Since the launch of eHOME, we have had over 50,000 Canadians engage with the application to see how easy the digital mortgage experience can be. On average, customers are receiving a conditional approval is less than 24 hours (vs. multiple days in the traditional process)

CANADIAN MORTGAGE PORTFOLIO: \$222B (SPOT BALANCES AS AT Q3/19, \$B)



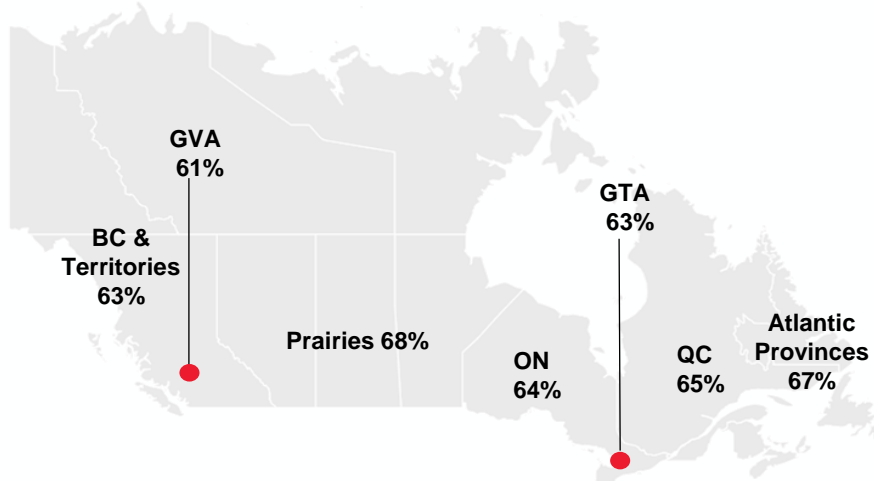
¹ LTV calculated based on the total outstanding balance secured by the property. Property values indexed using Teranet HPI data

² New originations defined as newly originated uninsured residential mortgages and have equity lines of credit, which include mortgages for purchases refinances with a request for additional funds and transfer from other financial institutions

Canadian Banking: Residential Mortgages (continued)

High quality, diversified portfolio

NEW ORIGINATIONS UNINSURED LTV* DISTRIBUTION



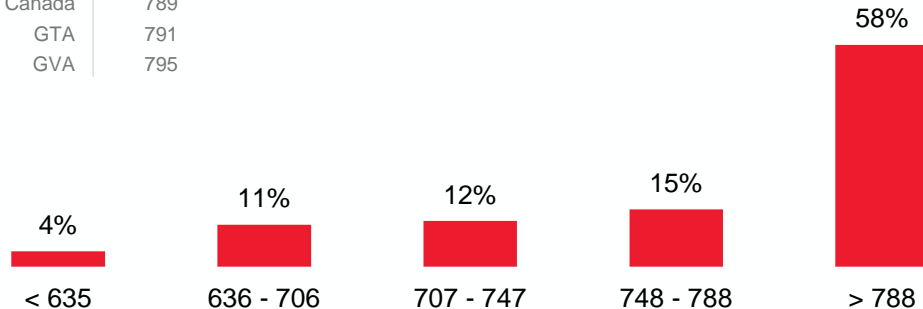
	Q3/18	Q2/19	Q3/19
Canada			
Total Originations (\$B)	11.9	7.1	14.0
Uninsured LTV	63%	64%	64%
GTA			
Total Originations (\$B)	3.6	2.3	4.5
Uninsured LTV	62%	64%	63%
GVA			
Total Originations (\$B)	1.4	0.9	1.6
Uninsured LTV	60%	63%	61%

*Average LTV ratios for our uninsured residential mortgages originated during the quarter

FICO® DISTRIBUTION – CANADIAN UNINSURED PORTFOLIO¹

Average FICO® Score

Canada	789
GTA	791
GVA	795



- Only <0.70% of uninsured portfolio² has a FICO® score of <620 and an LTV >65%
- Canadian uninsured mortgage portfolio is \$133 billion as at Q3/2019

FICO is a registered trademark of Fair Isaac Corporation

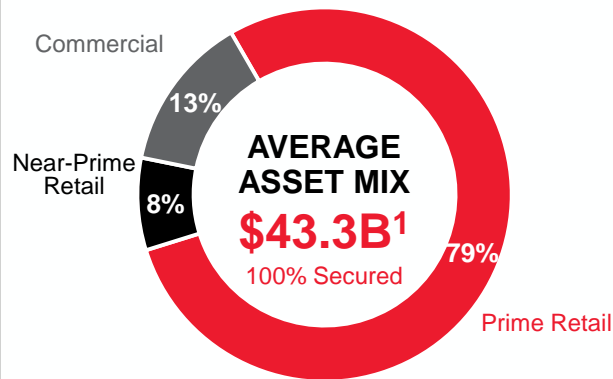
¹ FICO® distribution for Canadian uninsured portfolio based on score ranges at origination

² Percentage is based on Total Mortgages

Automotive Finance

Canada's leader in automotive finance

- Provide personal and commercial dealer financing solutions, in partnership with seven leading global automotive manufacturers in Canada
- Portfolio grew 3%¹ year-over-year
 - Personal up 4%, Commercial down 2%



Exclusive Relationships

MAZDA

VOLVO

JAGUAR/LAND ROVER

Semi-Exclusive Relationships*

HYUNDAI

CHRYSLER

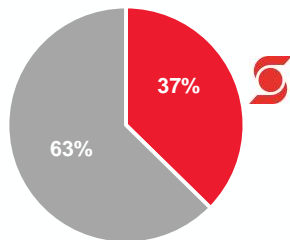
GM

TESLA

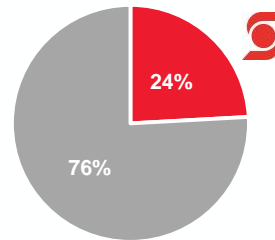
* 1 to 2 other financial institutions comprise Semi-Exclusive relationships

Market Share²

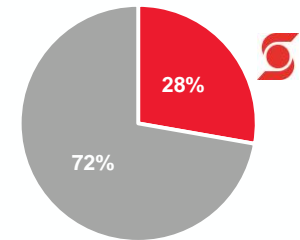
Prime Retail Market Share³



Near-Prime Retail Market Share⁴



Commercial Floorplan Market Share⁵



¹ For the three months ended July 31, 2019; ² Data as at Feb 2019; ³ CBA data, includes BMO, CIBC, HSBC, National Bank, RBC, Scotiabank, TD; ⁴ DealerTrack Portal data, includes all Near-Prime Retail providers on DealerTrack Portal, data for July-19 originations; ⁵ Includes BMO, CIBC, RBC, Scotiabank, TD, HSBC, Canadian Western Bank, Laurentian Bank, data as of Dec-2018



- 2.3 million customers
- Industry-leading customer service
- <7-minute account sign-up
- 97% digital transactions
- 96% digital onboarding
- 90% digital sales

STRATEGIC FOCUS:

► Simplicity

- Simple, market-leading products that appeal to value-conscious, self-directed and digitally-savvy Canadians
- Seamless digital client experience

► Velocity

- Enhanced self-service options, adding speed & agility
- Nimble, modern platform supporting rapid development cycles
- Low-cost, scalable business model

► Partnerships

- Improved brand recognition through sponsorship of the **Toronto Raptors**
- Deepening client relationships by introducing **SCENE Loyalty**, the only entertainment royalty program in Canada

Modern Platform



Scalable:

Nimble, low cost systems provide a holistic client view.

Speed & Agility



Rapid Deployments:

Agile best practices enable quick & efficient new product & feature delivery.

Client-Driven Innovation



Incubator:

Identify, explore, and pilot new technologies and solutions to meet evolving Client needs.

Unique 'Orange' Culture



Team Tangerine:

Our unique culture and lean team are an essential part of how we deliver.

Award Winning Approach



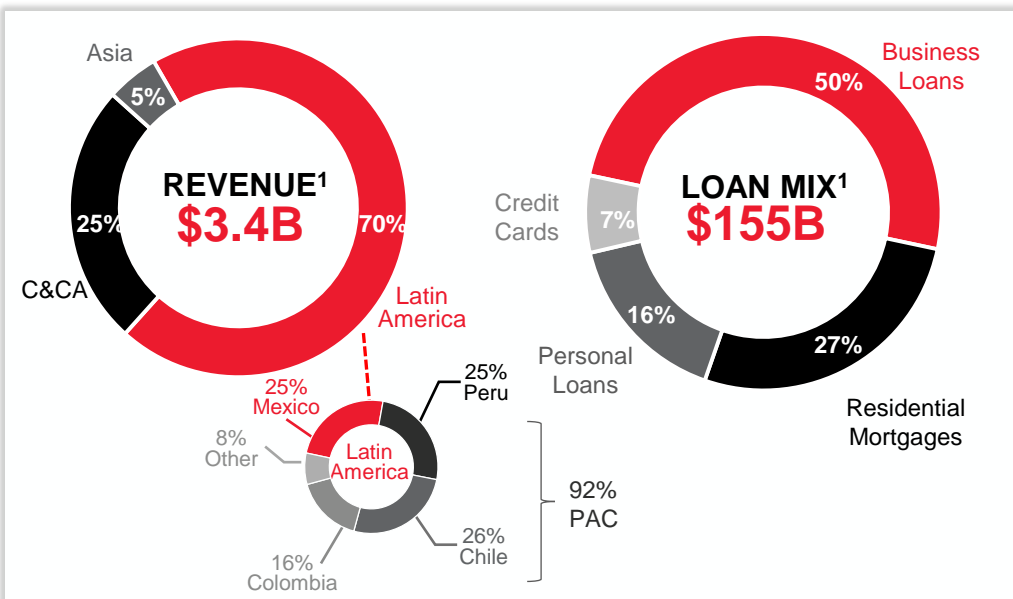
Third-Party Recognition:

Tangerine ranks highest in customer satisfaction among mid-sized banks for 8th year in a row by J.D. Power

International Banking

Leading P&C banking operation in high quality growth markets in Latin America and the Caribbean

- International Banking** operates primarily in Latin America and the Caribbean with a full range of personal and commercial financial services. Its primary markets are the Pacific Alliance countries of Mexico, Peru, Chile and Colombia



MEDIUM-TERM FINANCIAL OBJECTIVES

	Target ²	2019 Q3 YTD ^{3,4,5}
Net Income Growth ⁶	9%+	15%
Productivity Ratio	<51%	50.5%
Operating Leverage	Positive	+4.2%

STRATEGIC OUTLOOK

- Positive earnings impact from acquisitions** in Chile, Colombia, Peru and Dominican Republic
- Disposition** of non-core operations in smaller Caribbean markets, Puerto Rico and El Salvador reduces operational risk
- Margins (NIM ~450 bps) and credit quality** are expected to remain stable
- Positive operating leverage**

¹ For the 3 months ended July 31, 2019; ² 3-5 year target; ³ Adjusted for Acquisition-related costs, including Day 1 PCL impact on acquired performing loans, integration and amortization costs related to current acquisitions, and amortization of intangible assets related to current and past acquisitions; ⁴ Y/Y growth rates (%) are on a constant \$ basis; ⁵ For the nine months ended July 31, 2019; ⁶ Attributable to equity holders of the Bank

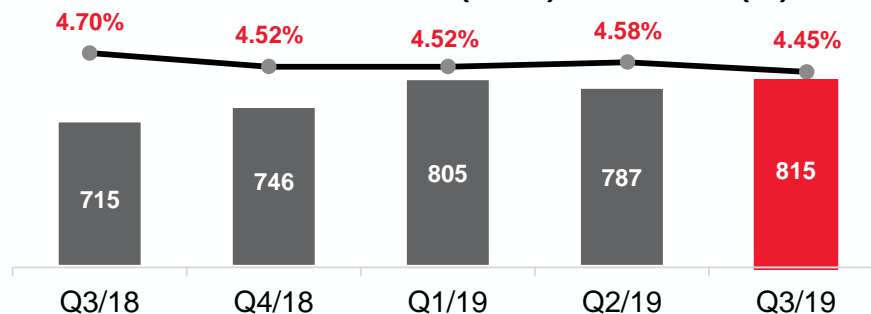
International Banking Financial Performance

Double-digit earnings growth for 11 consecutive quarters

FINANCIAL PERFORMANCE AND METRICS (\$MM)^{1, 2}

	Q3/19	Y/Y	Q/Q
Reported			
Net Income	\$781	+40%	13%
Revenue	\$3,427	+20%	3%
Expenses	\$1,780	+19%	6%
PCLs	\$476	(35%)	(23%)
Productivity Ratio	51.9%	(100bps)	+90bps
Net Interest Margin	4.45%	(25bps)	(13bps)
PCL Ratio ³	1.24%	(134bps)	(47bps)
PCL Ratio on Impaired Loans ³	1.36%	+3bps	+7bps
Adjusted⁵			
Net Income	\$815	+11%	+5%
Expenses	\$1,725	+18%	+4%
PCLs	\$476	+33%	+2%
Productivity Ratio	50.3%	(140bps)	+30bps
PCL Ratio ³	1.24%	+1bp	(6bps)

ADJUSTED NET INCOME^{1,5} (\$MM) AND NIM⁴ (%)



¹ Attributable to equity holders of the Bank

² Y/Y and Q/Q growth rates (%) are on a constant dollars basis, while metrics and change in bps are on a reported basis

³ Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

⁴ Net Interest Margin is on a reported basis

⁵ Adjusted for Acquisition-related costs, including Day 1 PCL impact on acquired performing loans, integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

YEAR-OVER-YEAR HIGHLIGHTS²

- **Adjusted Net Income up 14%⁵ or 11%⁵ on a constant currency basis**
 - Strong loan growth across the Pacific Alliance, positive impact of acquisitions, and higher non-interest income
- **Revenues up 20%**
 - Pacific Alliance up 26% (including acquisitions)
- **Loans up 28%**
 - Pacific Alliance up 41% (including acquisitions)
- **NIM down 25 bps**
 - Primarily driven by larger contribution from Chile and margin compression in Mexico
- **Expenses up 18%⁵**
 - Includes impact of acquisitions
 - Business volume growth and inflation
 - Productivity ratio improvement of 140 bps⁵
- **Quarterly operating leverage of +3.2%⁵**
- **PCL ratio on impaired loans³ increased 3 bps**

Scotiabank in the Pacific Alliance Countries

Well positioned in high quality, growth markets

PAC Highlights

- 230 million people¹, median age of 30²
- 9th largest economy in the world¹
- Banking penetration <50%¹
- Sovereign ratings all “Investment Grade”³
- 63% of exports related to manufacturing⁴
- Largest trading partner is the United States⁴

Scotiabank in the PAC

- Only global bank present in all PAC countries
- Top 3 bank in Chile and Peru
- 28-year operating history (average)
- 2018 “Bank of the Year”, *Latin Finance*

Scotiabank Market Share⁵

Market Share Ranking⁵

Strengths

Average Total Loans⁶(C\$B)

Revenue⁷(C\$B)

Net Income after NCI^{7,8}(C\$MM)

ROE^{6,8}

of Employees^{9,10}

				
	Mexico	Peru	Chile	Colombia
	7.4%	18.3%	14.0%	6.0%
	6th	3rd	3rd	6th
	Auto and Mortgages	P&C and Mortgages	Credit Cards, Mortgages	Credit Cards, Personal
	\$31.3	\$21.5	\$47.2	\$12.2
	\$2.3	\$2.3	\$2.4	\$1.6
	\$611	\$756	\$539	\$132
	18%	24%	10%	9%
	13,241	12,052	8,967	8,955

¹ Source: World Bank 2017

² Source: The World Factbook, CIA 2017

³ Sovereign ratings from Moody's, S&P, and Fitch; Source: Bloomberg

⁴ Source: United Nations Conference on Trade and Development (UNCTAD) 2017; Organization for Economic Co-operation and Development (OECD) 2016

⁵ Ranking based on publicly traded banks by total loans market share as of June, 2019, inc. M&A

⁶ For the three months ended July 31, 2019

⁷ For the trailing 12 months ended July 31, 2019 not adjusted for currency

⁸ Earnings adjusted for acquisition –related costs including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

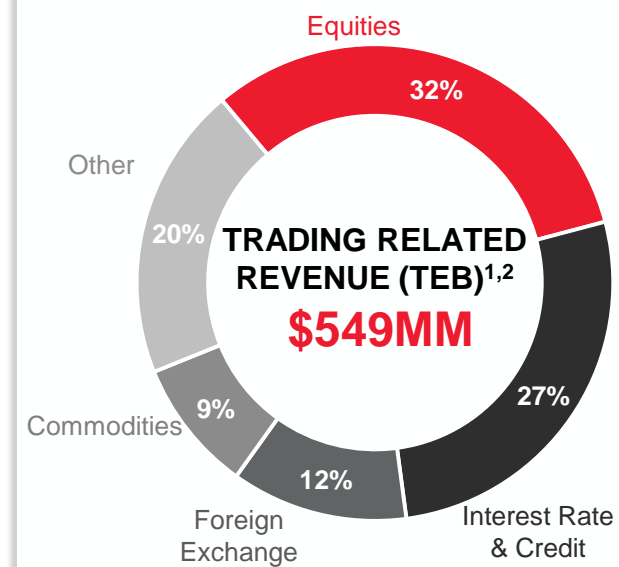
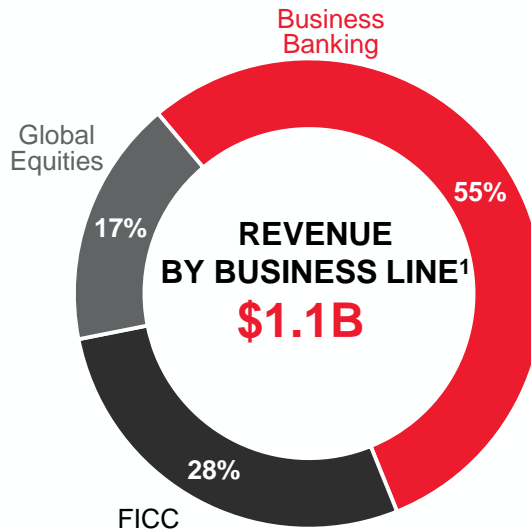
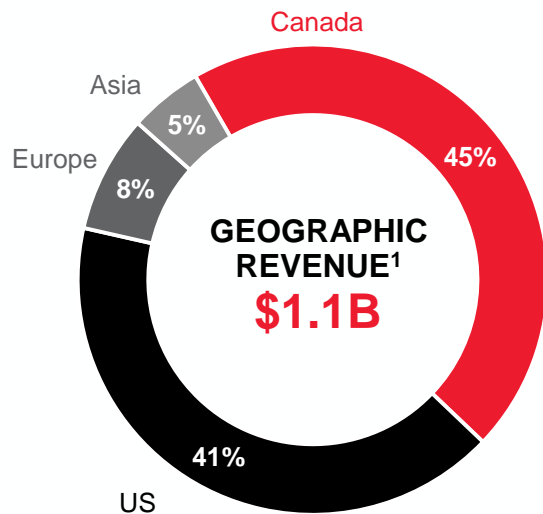
⁹ Employees are reported on a full-time equivalent basis

¹⁰ As of July 31, 2019

Global Banking and Markets

Second-largest Canadian wholesale banking and capital markets business

- **Full-service wholesale bank** in Canada, the United States and Latin America. Offers a range of products and services in select markets in Europe, Asia and Australia.



STRATEGIC OUTLOOK

- Up-tiering lending relationships, expanding Investment Banking capabilities in key markets, and increasing investment in the Pacific Alliance to become a leader in local and cross-border banking and capital markets
- Continued strong growth in deposits, improved corporate lending and investment banking results to absorb required regulatory and technology investments

¹ For the 3 months ended July 31, 2019; ² All-Bank trading-related revenue

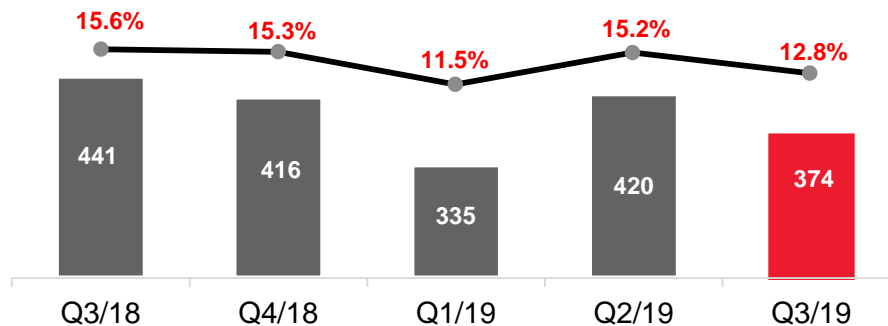
Global Banking and Markets Financial Performance

Volatile market conditions, margin compression. Strong loan growth.

FINANCIAL PERFORMANCE AND METRICS¹ (\$MM)

	Q3/19	Y/Y	Q/Q
Net Income	\$374	(15%)	(11%)
Revenue	\$1,084	(2%)	(6%)
Expenses	\$593	+9%	-
PCLs	(\$4)	N/A	N/A
Productivity Ratio	54.7%	+580bps	+310bps
Net Interest Margin	1.61%	(21bps)	(9bps)
PCL Ratio ²	(0.01%)	+4bps	+1bp
PCL Ratio on Impaired Loans ²	(0.01%)	+5bps	+1bp

NET INCOME¹ AND ROE



¹ Attributable to equity holders of the Bank

² Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

YEAR-OVER-YEAR HIGHLIGHTS

- **Net Income down 15% Y/Y and down 11% Q/Q**
- **Revenue down 2%**
 - Net interest income down 8%
 - Non-interest income flat
- **NIM down 21 bps**
 - Lower deposit margins
- **Loans up 12%**
 - Strong corporate loan growth across Canada and the U.S.
- **Expenses up 9%**
 - Expenses flat Q/Q
 - Higher regulatory costs and unfavourable impact of foreign currency
- **PCL ratio² continues to be a recovery**

Credit Performance by Business Lines

Credit fundamentals remain strong

	Q3/18		Q4/18		Q1/19		Q2/19		Q3/19	
(As a % of Average Net Loans & Acceptances)	PCLs on Impaired Loans	Total PCLs (adj.)	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs (adj.)	PCLs on Impaired Loans	Total PCLs
Canadian Banking										
Retail	0.25	0.24	0.25	0.25	0.28	0.28	0.31	0.35	0.33	0.30
Commercial	(0.04)	0.06	0.06	0.15	0.21	0.23 ¹	0.09	0.06 ¹	0.10	0.16 ¹
Total	0.21	0.21	0.22	0.23	0.27	0.27 ¹	0.28	0.30 ¹	0.29	0.27 ¹
International Banking										
Retail	2.36	2.25 ²	2.38	2.21	2.33	2.36	2.36	2.35 ²	2.48	2.28
Commercial	0.38	0.31 ²	0.07	(0.06) ¹	0.19	0.26 ¹	0.27	0.30 ^{1, 2}	0.30	0.26 ¹
Total	1.33	1.23 ²	1.20	1.05 ¹	1.23	1.28 ¹	1.29	1.30 ^{1, 2}	1.36	1.24 ¹
Global Banking and Markets	(0.06)	(0.05)	(0.07)	(0.09) ¹	(0.01)	(0.07)	(0.02)	(0.02)	(0.01)	(0.01)
All Bank	0.41	0.40	0.42	0.39	0.47	0.47	0.49	0.51	0.52	0.48

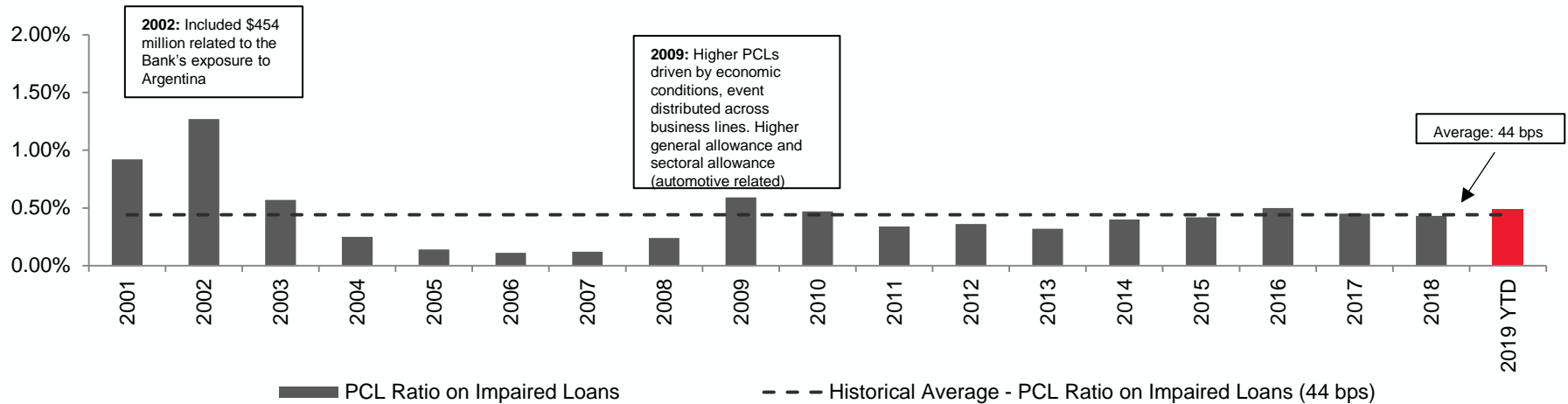
¹ Excludes provision for credit losses on debt securities and deposit with banks

² On an adjusted basis; adjusted for Day 1 PCLs from acquisitions

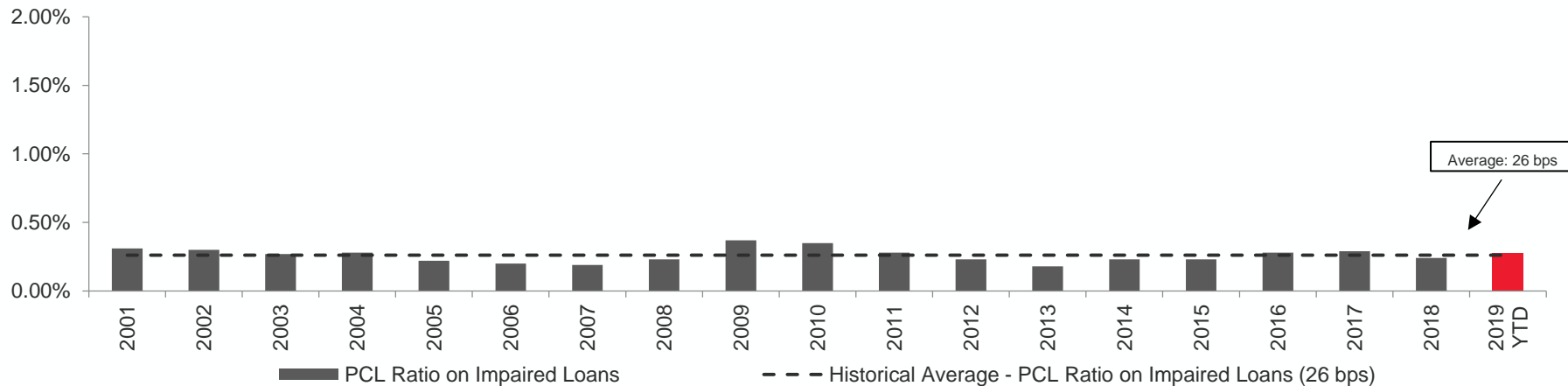
Historical PCL Ratios on Impaired Loans

Credit fundamentals remain strong; PCLs on impaired loans in line with long-term average

ALL BANK HISTORICAL PCL RATIO ON IMPAIRED LOANS¹



CANADIAN BANKING HISTORICAL PCL RATIO ON IMPAIRED LOANS¹

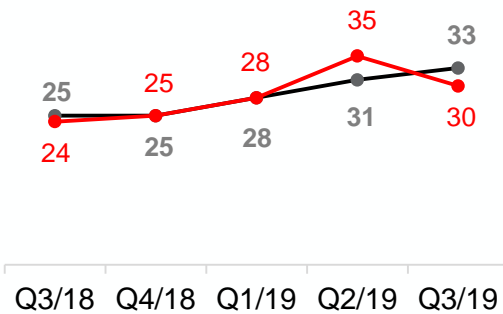


¹ Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

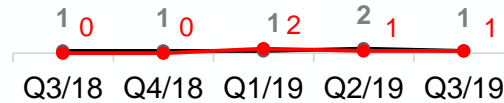
Canadian Retail: Loans and Provisions

Credit fundamentals remain strong

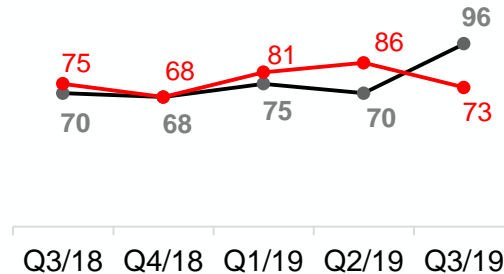
TOTAL RETAIL



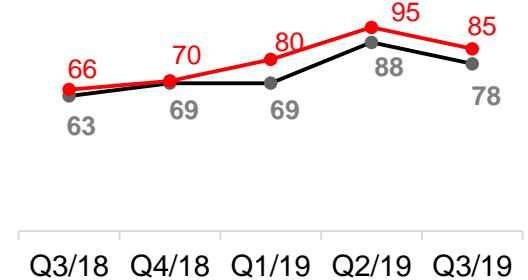
MORTGAGES



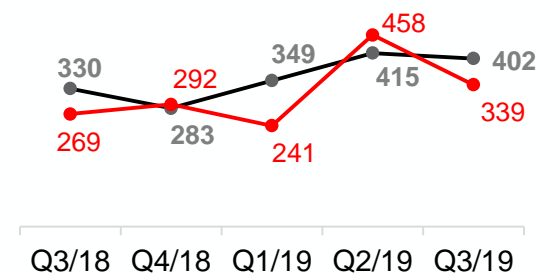
Lines of Credit²



PERSONAL LOANS¹



CREDIT CARDS



● PCL as a % of avg. net loans (bps) ● PCLs on Impaired Loans as a % of avg. net loans (bps)

Loan Balances Q3/19	Mortgages	Personal Loans ¹	Lines of Credit ²	Credit Cards	Total
Spot (\$B)	\$222	\$40	\$34	\$8	\$304 ³
% Secured	100%	99%	62%	3%	93% ⁴

¹ 96% are automotive loans

² Includes Home Equity Lines of Credit and Unsecured Lines of Credit

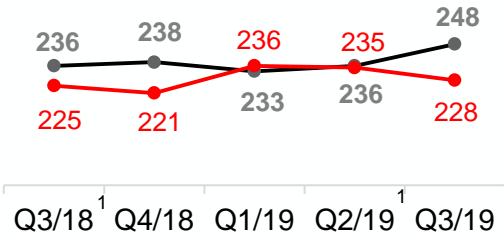
³ Includes Tangerine balances of \$6 billion

⁴ 80% secured by real estate; 13% secured by automotive

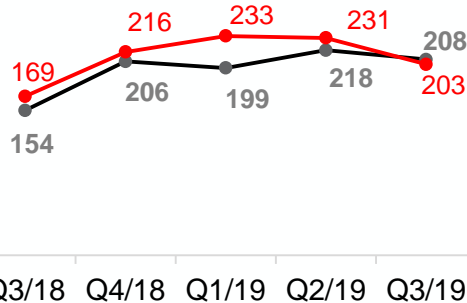
International Retail: Loans and Provisions

Credit fundamentals remain strong

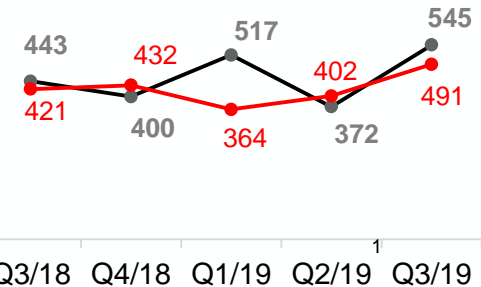
TOTAL RETAIL²



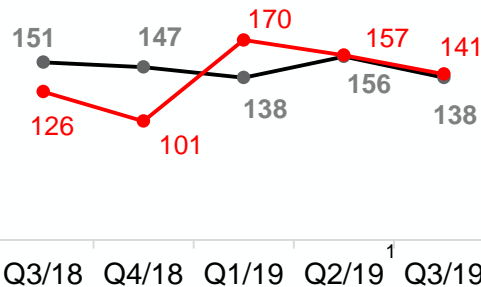
MEXICO



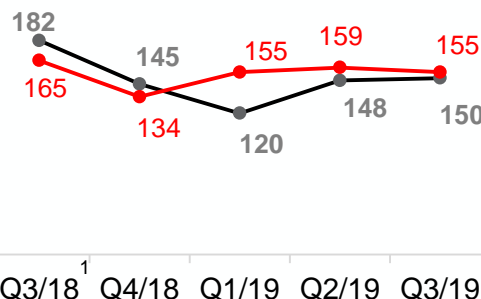
PERU



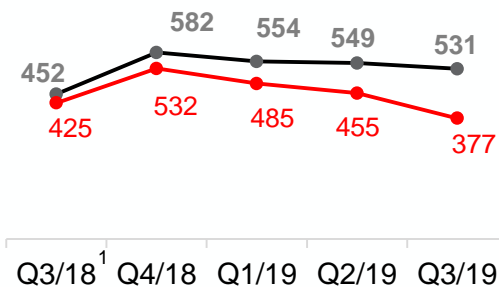
CARIBBEAN & CENTRAL AMERICA



CHILE



COLOMBIA



● PCL as a % of avg. net loans (bps)

● PCLs on Impaired Loans as a % of avg. net loans (bps)

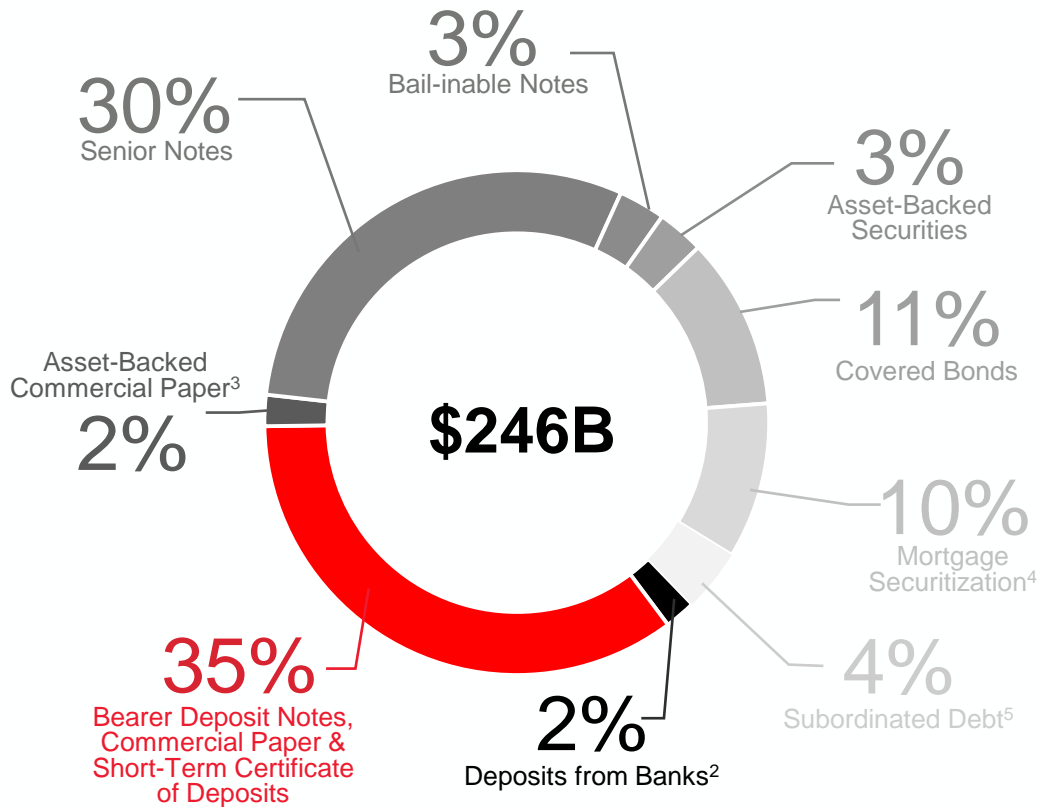
Loan Balances Q3/19	Mexico	Peru	Chile	Colombia	C&CA	Total
Spot (\$B)	\$13	\$10	\$26	\$7	\$19	\$76

¹Adjusted for acquisition-related costs, including Day 1 PCL impact on acquired performing loans

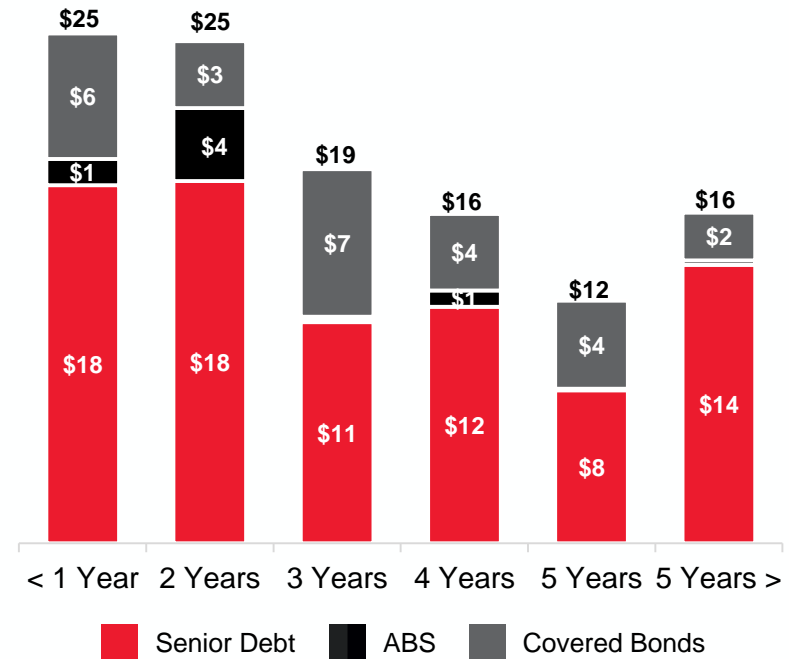
²Total includes other smaller portfolios

Wholesale Funding

Wholesale funding diversity by instrument and maturity^{1,6,7}



MATURITY TABLE (EX-SUB DEBT)
(CANADIAN DOLLAR EQUIVALENT, \$B)



¹ Excludes repo transactions and bankers acceptances, which are disclosed in the contractual maturities table in the MD&A of the Interim Consolidated Financial Statements. Amounts are based on remaining term to maturity.

² Only includes commercial bank deposits raised by Group Treasury.

³ Excludes asset-backed commercial paper (ABCP) issued by certain ABCP conduits that are not consolidated for financial reporting purposes.

⁴ Represents residential mortgages funded through Canadian Federal Government agency sponsored programs. Funding accessed through such programs does not impact the funding capacity of the Bank in its own name.

⁵ Although subordinated debentures are a component of regulatory capital, they are included in this table in accordance with EDTF recommended disclosures.

⁶ As per Wholesale Funding Sources Table in MD&A, as of Q3/19.

⁷ May not add to 100% due to rounding.

The background of the slide features a technical drawing or blueprint in light gray, overlaid on a red geometric shape at the top. The drawing includes various circular and rectangular elements, some with crosshairs and lines, suggesting a mechanical or architectural plan. The red shape at the top is a large, irregular polygon that tapers towards the right.







Appendix 2:

Key Market Profiles

Economic Outlook in Key Markets

Growth in Pacific Alliance expected to remain above that of Canada and the U.S.

2019 AND 2020 REAL GDP GROWTH FORECAST (%)

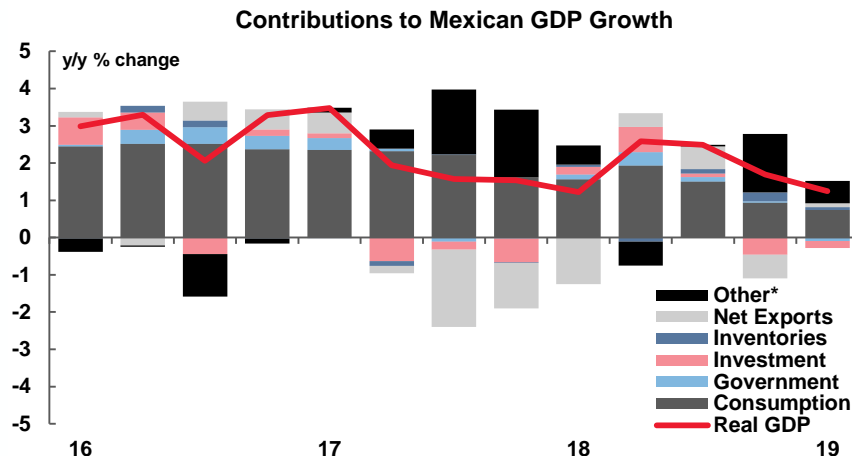
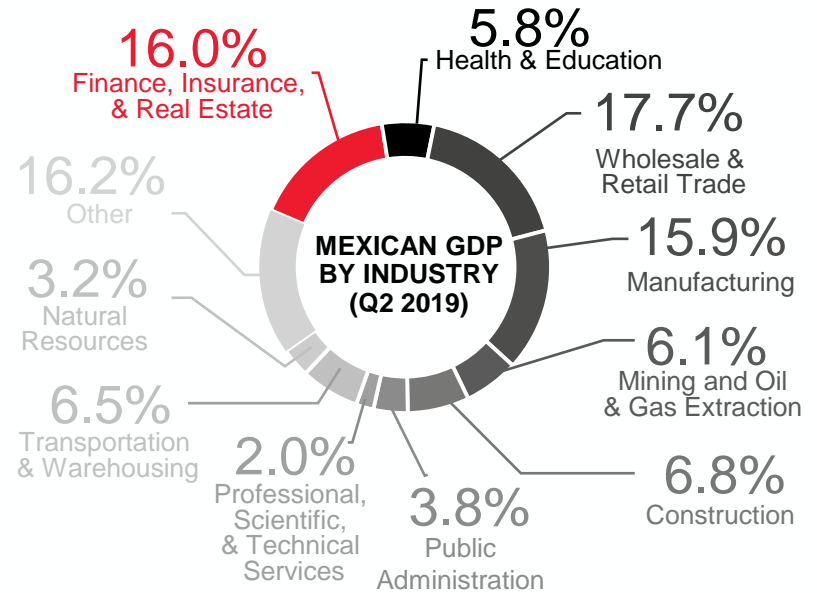
		Real GDP (Annual % Change)			
Country		2000–17 avg.	2018	2019f	2020f
	Mexico	2.2	2.0	0.9	1.1
	Peru	5.0	3.9	3.1	3.7
	Chile	3.9	4.0	3.2	3.2
	Colombia	3.9	2.6	3.2	3.6
PACs simple avg.		3.7	3.1	2.6	2.9
		2000–17 avg.	2018	2019f	2020f
	Canada	2.1	1.9	1.4	2.0
	U.S.	2.0	2.9	2.5	1.6

Source: Scotiabank Economics. Forecasts as of July 12, 2019.

Mexico

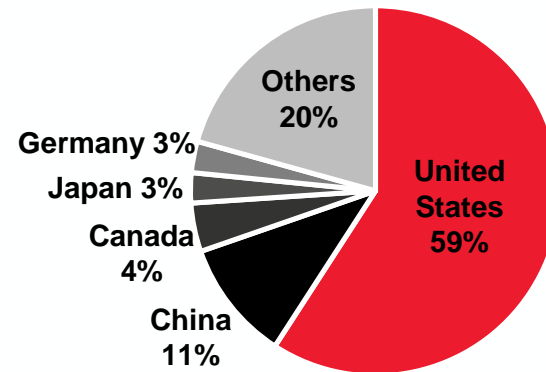
Diverse economy with a strong balance sheet

- The Mexican economy reflects a solid mix of commodities, goods production, and services
- Trade remains dominated by the U.S., but Mexico's diversification agenda is underpinned by 13 free-trade agreements with 47 countries that account for 40% of global GDP



*Statistical discrepancy, subject to revision.
Sources: Scotiabank Economics, Haver Analytics.

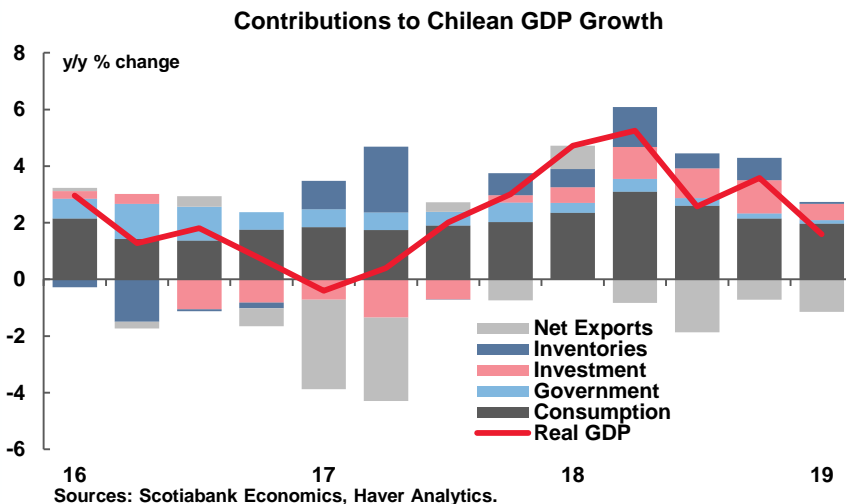
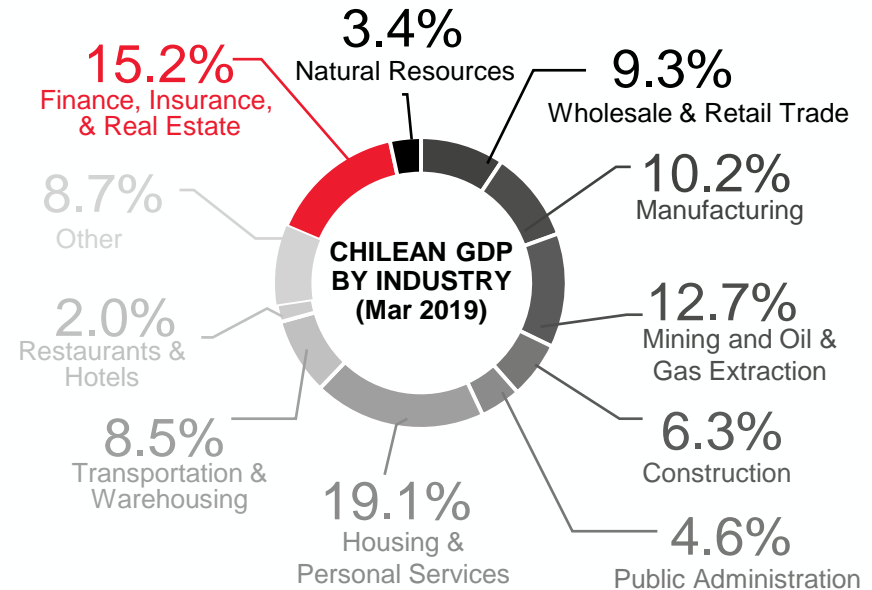
Top 5 Trading Partners



Chile

Advanced economy with wide-ranging trade links

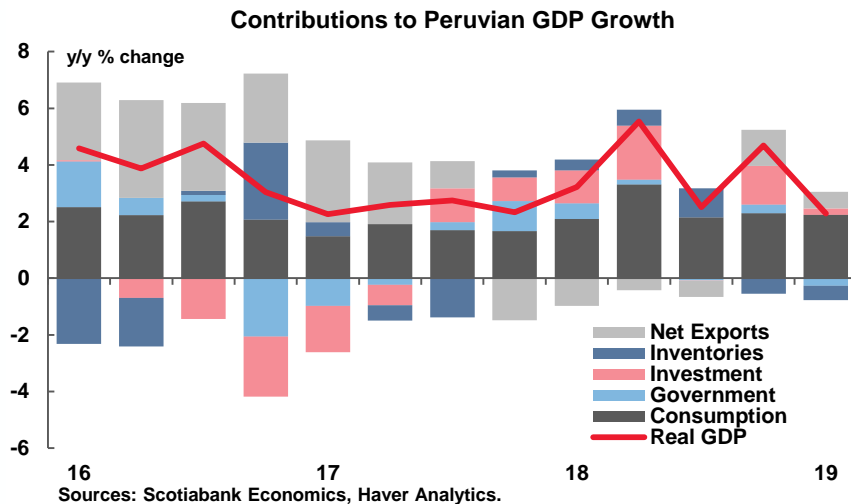
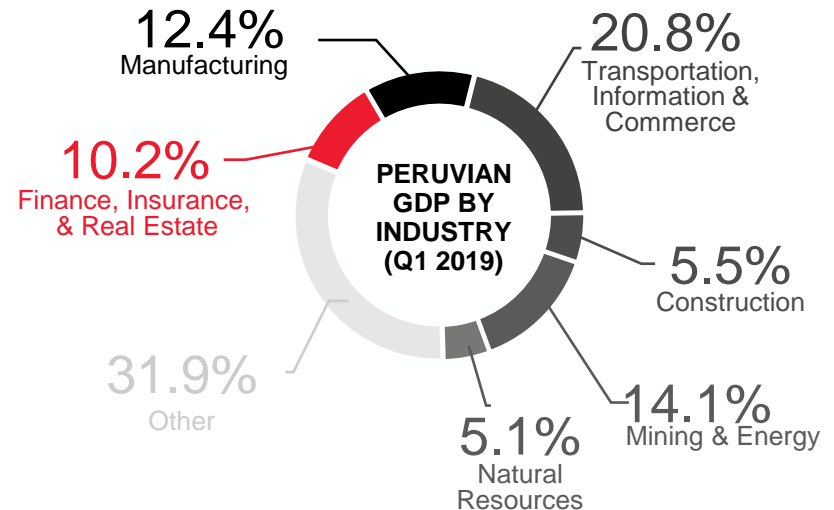
- Chile's mix of economic activities reflects its status as an advanced market economy
- Chile's diversified trading relationships are supported by 22 free-trade agreements with 59 countries that account for 70% of global GDP
- Investment has been a strong contributor to growth in Chile over the past year, which should underpin future productivity gains



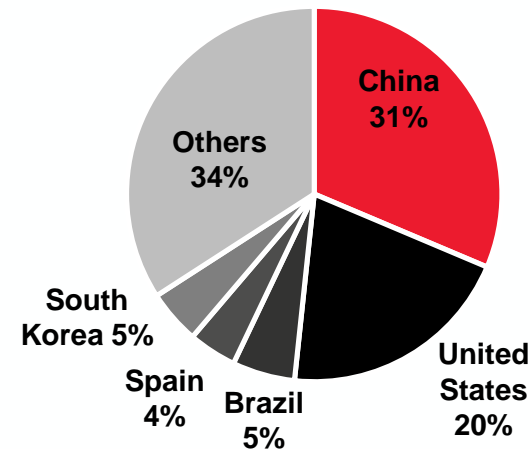
Peru

Resilient economic fundamentals

- Peru's important resource sectors are increasingly balanced by stronger service-sector activity and solid economic fundamentals
- Peru has 16 free-trade agreements with 49 countries that account for 66% of global GDP
- Investment is making a consistently strong contribution to GDP, which should make higher growth rates more sustainable in the future



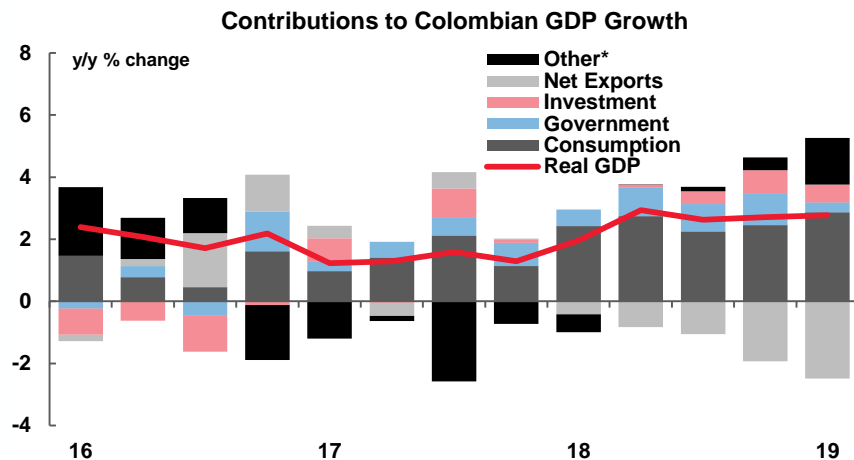
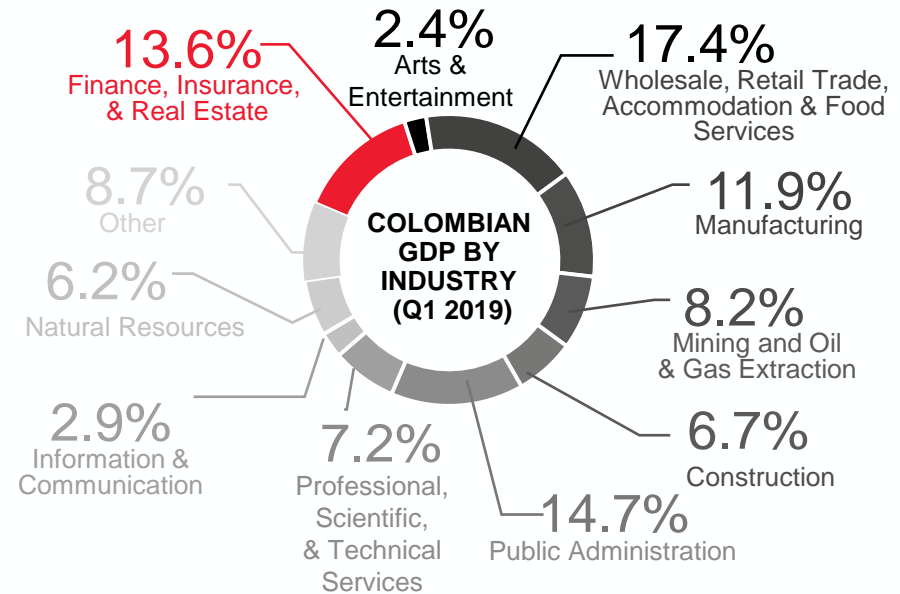
Top 5 Trading Partners



Colombia

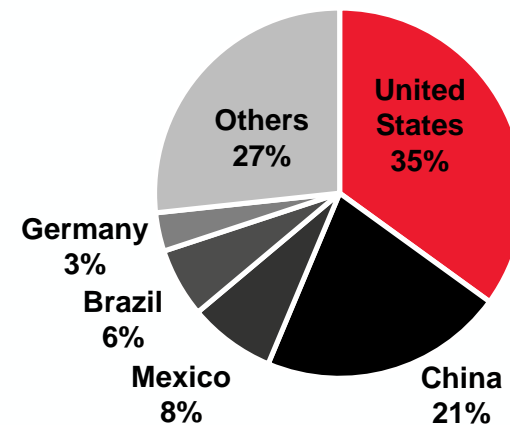
Gaining momentum

- Services account for a rising share of Colombian GDP compared with traditional strengths in extractive industries
- Colombia continues to build on its 10 free-trade agreements with 42 countries that account for 38% of global GDP
- Rising consumption, supported by public spending, reflects an expanding middle class as growth gains momentum and converges toward the economy's underlying potential



*Statistical discrepancy, subject to revision.
Sources: Scotiabank Economics, Haver Analytics.

Top 5 Trading Partners



Other Regions

Strong contribution from leading Caribbean & Central American franchise

- **Caribbean & Central America**

- 16 countries contributing ~ CAD \$700MM in earnings in 2018
- Well-established, diversified franchise that serves retail, commercial and corporate customers
- Actively managing footprint to ensure scale in larger growth markets and reduce risk profile:
 - Announced sale of operations in 9 smaller countries in Caribbean in Q1/19
 - Completed acquisition of Banco Dominicano del Progreso in Q2/19. Doubles customer base and creates 4th largest bank
 - Completed sale of pension and insurance operations in the Dominican Republic in Q2/19
 - Announced sale of banking and insurance operations in El Salvador in Q2/19
 - Announced sale of Announces the sale of operations in Puerto Rico and the U.S. Virgin Islands in Q3/19
- Recognized by *Global Finance* magazine as:
 - “Best Bank Award 2017” in the Bahamas, Barbados, Costa Rica, Turks & Caicos and U.S. Virgin Islands;
 - “World’s Best Consumer Digital Bank 2017” in 24 countries across Latin America and the Caribbean; and
 - “Best in Mobile Banking” in the Caribbean region

- **Asia**

- **Thailand:** 49% interest in Thanachart Bank (“TBank”) (2007)
 - Announced definitive agreement to reduce investments in Thailand in Q3/19, resulting in Scotiabank owning approximately 6% of a Merged Bank (among ING Groep, TBank and TMB)
 - CAD \$3.0B carrying value as of October 31, 2018
 - CAD \$590MM of net income for twelve months ended October 31, 2018
- **China:** 19.9% interest in Bank of Xi’an (2009)
 - CAD \$1.2B market value as of Q2/19
 - CAD \$772MM carrying value as of October 31, 2018
 - CAD \$456MM of net income for twelve months ended October 31, 2018

The background of the slide features a red header bar at the top. Below it, a horizontal band contains a faint, light gray architectural drawing of a building's floor plan or section, showing various rooms, walls, and structural elements. The main body of the slide is white.

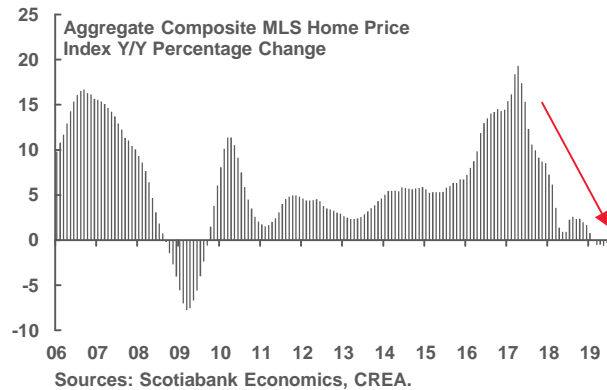
Appendix 3:

Canadian Housing Market

Canadian Housing Market

Engineered moderation of price and volume

Significant Moderation in Price Growth*



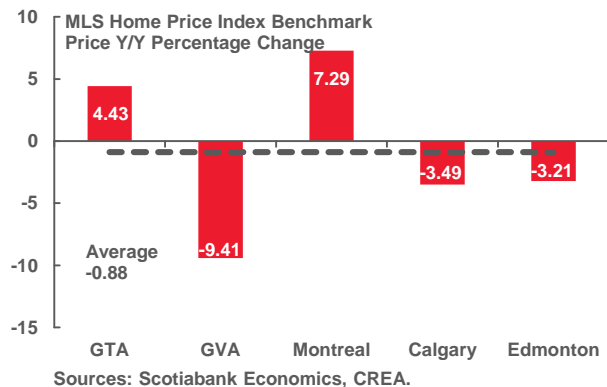
*Actual – not seasonally adjusted

Volume of Home Sales Near 10-Year Average*



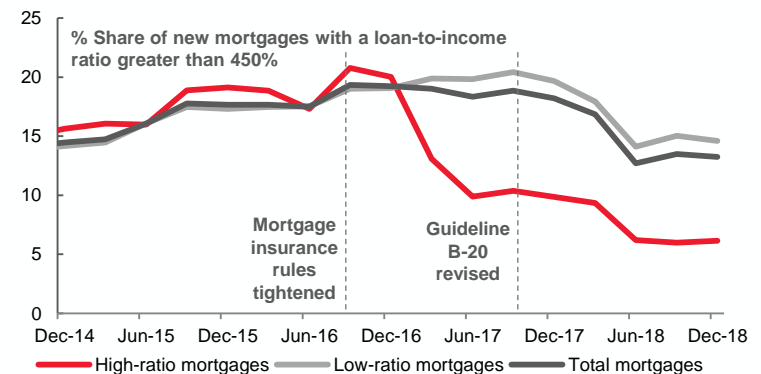
*Seasonally adjusted

Canada's Five Largest Metropolitan Areas*



*Actual – not seasonally adjusted

Decline in Share of High Risk Mortgages



¹ Sources for charts and table: Bank of Canada Financial System Review 2019 (Data as of December 31, 2018); CREA; MLS Home Price Index growth rates reported as non seasonally-adjusted y/y (Data as of July 2019)

Canadian Housing Market

Engineering a “soft landing”

- **Canada:** Positive sales and price momentum returning after multiple years of policy-induced slowdown:
 - In July 2019, national-level home sales rose a healthy +3.5% m/m¹ – the fifth consecutive monthly increase
 - Average sales prices and the composite MLS Home Price Index² are trending higher (top chart)
 - Sales-to-new listings ratio climbed to 59.8% in July 2019. While still indicative of balanced supply-demand conditions, the ratio was at its highest point since January 2018
- **Greater Toronto:** Recovery in sales volumes. Market is largely balanced
- **Greater Vancouver:** Recovery less established. Sales activity has risen by more than 20% in two of the past three months. Home purchases are trending moderately higher in other Southern BC centers

Canada	Jun-19	Jul-19	Jul-19
	m/m*	m/m*	y/y**
Sales (% change)	0.6	3.5	7.4
New listings (% change)	0.7	-0.4	-1.0
Average price (% change)	1.7	2.6	3.5
	Jun-19	Jul-19	
Sales-to-new listings ratio (level)*	57.6	59.9	
Months inventory (level)*	5.0	4.7	

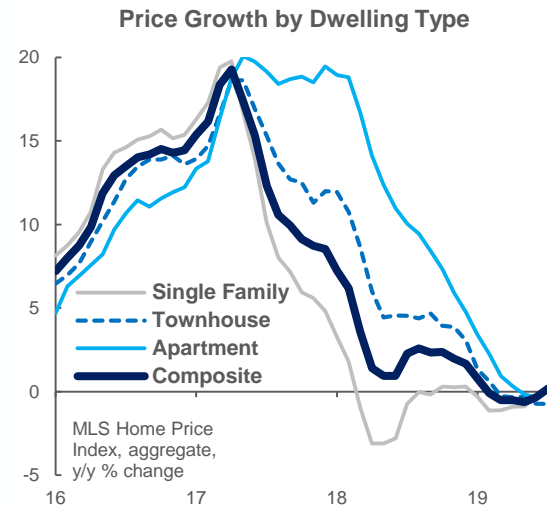
*Seasonally adjusted **Not seasonally adjusted

¹ Sales and listings figures reported in seasonally-adjusted m/m terms, while MLS HPI growth rates reported as non-seasonally-adjusted y/y

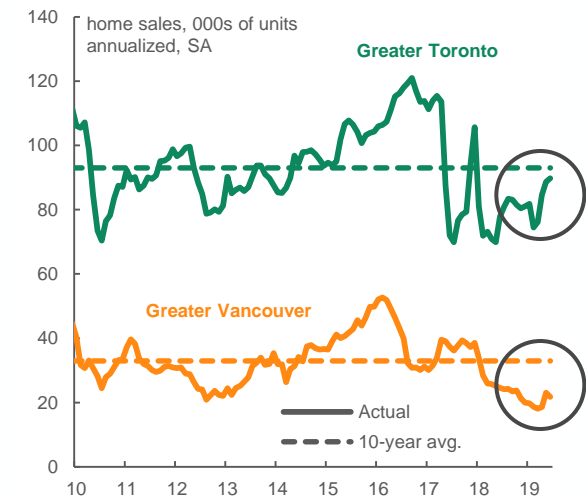
² Measure of real estate price appreciation that removes distortions related to variations in the mix of sales across unit types

³ Sources for charts and table: Scotiabank Economics, CREA.

Price Growth by Dwelling Type



Toronto & Vancouver Home Sales

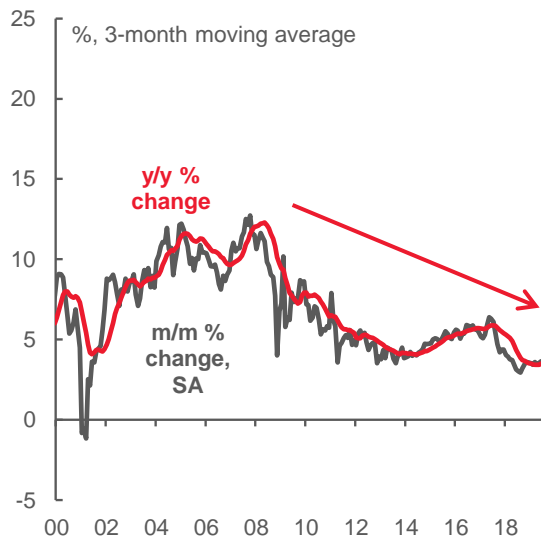


Canadian Household Credit

Public policy changes have moderated growth in household credit

- Total household credit grew at +3.5% annually in nominal terms in Q2/19 vs 2008 peak of +12.2% annually
- Consumer loans excluding mortgages (cards, HELOCs, unsecured lines, auto loans, etc.) grew at +3.4% annually in Q2/19 vs > 5% in late 2017
- Mortgage credit grew at +3.5% annually in Q2/19 vs 2008 peak of 13%

HOUSEHOLD CREDIT GROWTH



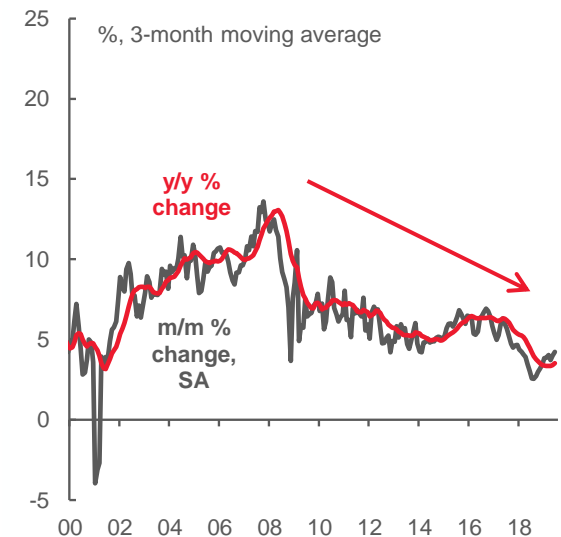
Sources: Scotiabank Economics, Bank of Canada.

CONSUMER LOAN GROWTH



Sources: Scotiabank Economics, Bank of Canada.

RESIDENTIAL MORTGAGE GROWTH



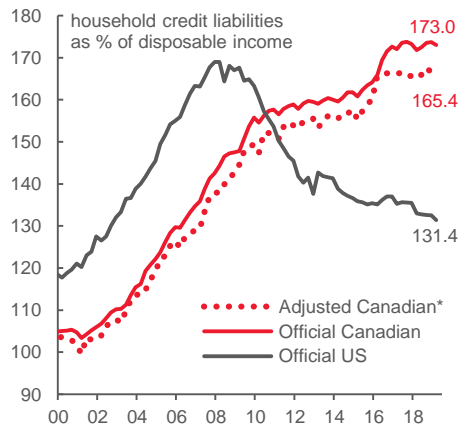
Sources: Scotiabank Economics, Bank of Canada.

Household Debt: Canada vs. U.S.

Canadian households' balance sheets compare favourably to US

- **Canadian headline debt-to-income ratio is now ~ -4% vs. the U.S. peak in 2008**
 - Calculated on the same terms, Canada's debt-to-income is currently 165% vs 131% in the U.S.
- **Canadian debt-to-asset ratio remains below U.S.**
 - U.S. households have incentive to pursue higher asset leverage in light of mortgage-interest deductibility
- **Ratio of total household debt-to-GDP remains lower in Canada than U.S.**
 - Calculated on a comparable basis, the ratio of household credit market debt is 99.5% in Canada vs 100.8% in the U.S.

Household Credit-Market Debt to Disposable Income



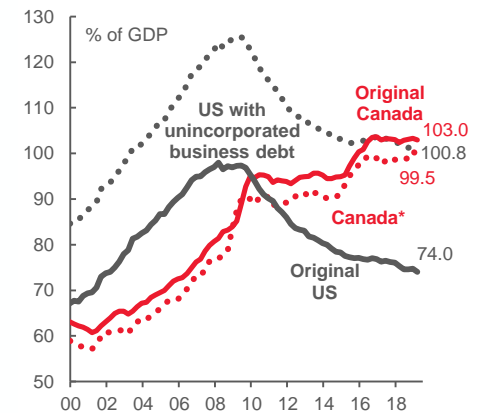
* Adjusted for US concepts and definitions.
Sources: Scotiabank Economics, BEA, Federal Reserve Board, Statistics Canada.

Total Household Liabilities As % of Total Assets



Sources: Scotiabank Economics, Federal Reserve Board, Statistics Canada.

Household Credit-Market Debt to GDP



* Adjusted for US concepts and definitions.
Sources: Scotiabank Economics, BEA, Federal Reserve Board, Statistics Canada.

Housing Market Differences vs U.S.

Canada's housing market features distinct practices and policies

	Canada	U.S.
Regulation and Taxation	<ul style="list-style-type: none"> • Mortgage interest not tax deductible • Full recourse against borrowers in most provinces • Foreclosure on non-performing mortgages, no stay periods <p>Insurance</p> <ul style="list-style-type: none"> • Mandatory default insurance mortgages with LTV > 80% <ul style="list-style-type: none"> ○ CMHC backed by Government of Canada (AAA). Private insurers are 90% government backed ○ Insurance available for homes up to CAD 1 mn ○ Premium is payable upfront ○ Covers full amount for life of mortgage • Homebuyers must qualify for mortgage insurance at an interest rate that is the greater of their contract mortgage rate or the Bank of Canada's conventional five-year fixed posted rate • Re-financing cap of 80% LTV on non-insured mortgages <p>Amortization</p> <ul style="list-style-type: none"> • Maximum 25-year amortization on mortgages with LTV > 80% • Maximum 30-year amortization on conventional mortgages • Down payment of > 20% required for non-owner occupied properties 	<ul style="list-style-type: none"> • Tax-deductible mortgage interest creates incentive to borrow and delay repayment • Lenders have limited recourse in most states • 90-day to 1-year stay period to foreclose on non-performing mortgages • No regulatory LTV limit • Private insurers are not government backed
Product	<ul style="list-style-type: none"> • Conservative product offerings, fixed or variable rate options • Much less reliance upon securitization and wholesale funding • Asset-backed securities not subjected to US-style off-balance sheet leverage via special purpose vehicles 	<ul style="list-style-type: none"> • Can include exotic products (e.g. adjustable rate mortgages, interest only)
Underwriting	<ul style="list-style-type: none"> • Terms usually three or five years, renewable at maturity • Extensive documentation and strong standards 	<ul style="list-style-type: none"> • 30-year term most common • Wide range of documentation and underwriting requirements

Housing Policy Developments in Canada

Consistent policy initiatives to maintain a balanced and sustainable market

2016

2017

2018

2019

- **Canada:** Qualifying stress rate for all new mortgage insurance must be the greater of the contract mortgage rate or the Bank of Canada's conventional five-year fixed posted rate
- Low-ratio mortgage insurance eligibility requirements updated for lenders wishing to use portfolio insurance:
 - Maximum amortization 25 years
 - CAD 1 mn max. purchase price
 - Minimum credit score of 600
 - Owner-occupied property
- Elimination of primary residence tax exemption for foreign buyers
- Min. down payment on insured increased from 5% to 10% (for homes CAD 0.5–1.0 mn)
- **British Columbia:** 15% land transfer tax on non-resident purchases in Metro Vancouver introduced
- **Ontario:** 16 measures aimed to slow rate of house price appreciation
 - Key aspects include:**
 - 15% non-resident speculation tax
 - Expanded rent control to all private rental units in Ontario
 - Vacant home tax
 - CAD 125 mn five-year program to encourage construction of new rental apartment buildings
- **Canada:** OSFI imposes more stringent stress tests for uninsured mortgages, including a minimum qualifying rate at the greater of the five-year fixed posted rate or the contractual rate plus 200 bps, effective January 1, 2018
- **Ontario:** Elimination of rent control on new rental units first occupied on or before November 1, 2018
- **British Columbia:** Extension of the Property Transfer Tax on non-resident buyers. Investment of more than CAD 1.6 bn through FY2021 toward the goal of building 114,000 affordable housing units in the next 10 years
- **British Columbia:** Increase in speculation tax on foreign and domestic home owners who do not pay income tax in BC from 0.5% of a property's assessed value to 2%; additional school tax levied on portion of a property's value that exceeds CAD 3 mn.
- **Ontario:** Measures to increase supply of available housing
 - Key aspects include:**
 - Greater authority over land use planning decisions for the province's independent municipal dispute resolution body
 - Reduced red tape on new residential developments
 - Updated zoning regulations to facilitate building of affordable homes near transit

The background of the slide features a technical drawing or blueprint. The top portion is a solid red band. Below it, a horizontal white band contains faint, light-gray technical sketches of mechanical parts, including gears and circular components with internal details. The rest of the slide is white.

Appendix 4:

Additional Information

Additional Information

Scotiabank Listings:

- Toronto Stock Exchange (TSX: BNS)
- New York Stock Exchange (NYSE: BNS)

Scotiabank Common Share Issue Information:

- CUSIP: 064149107
- ISIN: CA0641491075
- FIGI: BBG000BXSXH3
- NAICS: 522110

Scotiabank Credit Ratings

	Moody's Investors Services	Standard & Poor's	Fitch Ratings	Dominion Bond Rating Service Ltd.
Legacy Senior Debt ¹	Aa2	A+	AA-	AA
Senior Debt ²	A2	A-	AA-	AA (low)
Subordinated Debt (NVCC)	Baa1	BBB+	-	A (low)
Short Term Deposits/Commercial Paper	P-1	A-1	F1+	R-1 (high)
Covered Bond Program	Aaa	Not Rated	AAA	AAA
Outlook	Stable	Stable	Stable	Stable

¹ Includes: (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the bank recapitalization "bail-in" regime

² Subject to conversion under the bank recapitalization "bail-in" regime

The background of the slide features a technical drawing or blueprint. The top portion is a solid red band. Below this, a horizontal white band contains a faint, light gray technical drawing. This drawing includes various geometric shapes such as circles, arcs, and lines, some of which are hatched with diagonal lines. The drawing appears to be a cross-section or a plan view of a mechanical component. The main body of the slide is white.

Appendix 5:

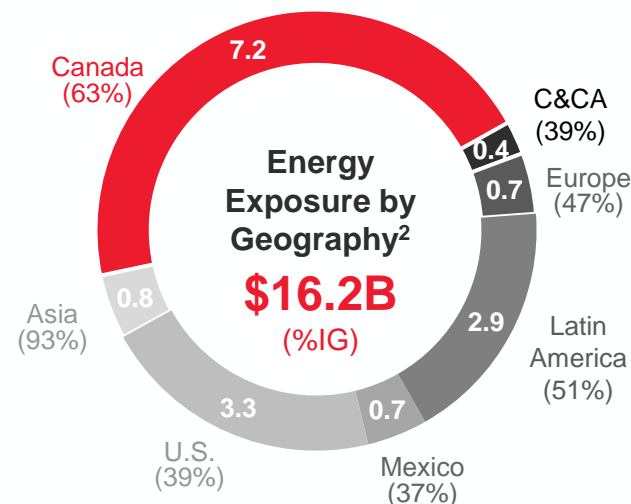
Energy Exposure

Energy Exposure¹

High quality energy portfolio, reduced exposure from 3.1% of total loans in Q4/16 to 2.7%

	Loans and Acceptances Outstanding (\$B)	% of Total Energy Exposure	% of Total Loans and Acceptances Outstanding	% Investment Grade
Total Exploration and Production	6.6	41%	1.1%	59%
Canadian E&P	3.7	23%	0.6%	77%
WCS Exposure	2.9	18%	0.5%	36%
Midstream	5.5	34%	0.9%	52%
Services	1.5	9%	0.2%	19%
Downstream	2.5	15%	0.4%	71%
Total Energy Exposure²	16.2	100%	2.7%	55%

- Energy portfolio represents 2.7% of loans outstanding, down from 3.1% in Q4/16
- 55% is rated Investment Grade (IG)
- “Watch-list” reduced to less than 2.5% of total exposures from 14% since Q4/16
- RWA has decreased 21% since Q4/16



¹ As of July 31, 2019

² May not add due to rounding

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